

CABINET
26 March 2019

PART 1 – PUBLIC DOCUMENT

ADOPTION OF A NEW HOUSING STRATEGY (2019-2024)

REPORT OF THE SERVICE DIRECTOR - REGULATORY

EXECUTIVE MEMBER : COUNCILLOR BERNARD LOVEWELL

COUNCIL PRIORITY : RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

- 1.1 As the local housing authority, the Council has statutory responsibilities to consider the housing needs of the district, oversee and enforce housing standards and prevent and manage homelessness.
- 1.2 The proposed Housing Strategy (2019-2024) provides a strategic framework for the Council to undertake these statutory housing functions. It incorporates within it a new Homelessness and Rough Sleeping Strategy for the district and a refreshed Tenancy Strategy.
- 1.3 The proposed Housing Strategy (2019-2024) succeeds the previous Housing and Homelessness Strategy (2013-2018).

2. Recommendations

- 2.1 That Cabinet approves the adoption of the Council's Housing Strategy (2019-2024) attached at Appendix 1.
- 2.2 That Cabinet authorises the Service Director - Regulatory, in consultation with the Executive Member for Housing and Environmental Health, to make minor changes to the Strategy.
- 2.3 That Cabinet delegates to the Service Director - Regulatory, in consultation with the Executive Member for Housing and Environmental Health, the power to agree an annual action plan which will set out the specific actions to be undertaken to implement the Strategy.
- 2.4 That Cabinet authorises the Service Director – Regulatory, in consultation with the Executive Member for Housing and Environmental Health, to deploy Ministry of Housing Communities and Local Government (MHCLG) homelessness funding of £173k (for 2019/20) to meet homelessness priorities identified in the Strategy.
- 2.5 In the event the MHCLG provides homelessness funding beyond the financial year 2019/20, the Cabinet authorises the Service Director – Regulatory, in consultation with the Executive Member for Housing and Environmental Health, to decide on the specific allocation of the funds in order to meet homelessness priorities, for the duration of the Strategy.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To enable the Council to undertake its strategic housing responsibilities over the next five years in a planned, transparent and inclusive manner. The Council is legally required to produce an up-to-date Homelessness and Rough Sleeping Strategy and a Tenancy Strategy.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Cabinet could decide against adopting the proposed Strategy, however the previous Housing and Homelessness Strategy ended in December 2018 and a replacement Homelessness and Rough Sleeping Strategy (in particular) is required to meet legal obligations.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 The proposed Strategy has been out to public consultation over a five week period, from 28th December 2018 to 1st February 2019, during which time the Strategy was available to view on the Council's website together with an online form for submitting feedback.

5.2 The consultation was advertised via numerous routes:

- on the Council's website and through social media;
- on the Home4U website, which is used by households on the Common Housing Register to bid for affordable housing;
- emails to the Council's Citizens' Panel and to Members; and
- communications, including emails, to key stakeholders including local housing providers, members of the North Herts Homelessness Forum and the North Hertfordshire Partnership (our Local Strategic Partnership).

5.3 In addition, pre-consultation briefing events were held for Members on the 12th December 2018 and for key stakeholders on 20th December 2018.

5.4 Cllr Bernard Lovewell, the Executive Member for Housing and Environmental Health, has been consulted from an early stage and is supportive of the proposals contained in this report.

5.5 Feedback from the consultation exercise is attached at Appendix 2, together with the Council's responses. The majority of the comments were supportive of the proposed Strategy and/or were very high level observations and required no further action. Additionally, a number of more specific comments were made with regards planning policy, outside the remit of the Housing Strategy.

5.6 A Homelessness Advisor from the MHCLG was also consulted on the draft Strategy and they responded positively, highlighting the proposed response to the impact of the Homelessness Reduction Act 2017 and plans to increase accommodation supply locally.

6. FORWARD PLAN

6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 22nd October 2018.

7. BACKGROUND

7.1 As the local housing authority (LHA) for the district, the Council has strategic housing functions to fulfil, primarily set out in section 8 of the Housing Act 1985, which requires that LHAs consider housing conditions in their area and the needs of the area with respect to the provision of further housing. This requirement relates to housing across all tenures, ie both market and affordable housing and as part of this, LHAs must undertake periodic reviews of housing needs in their area.

- 7.2 Additionally, the Housing Act 2004 provides the core legislation underpinning the Council's duties around maintaining and improving the condition of housing in the district, including bringing empty properties back into use and the licensing of houses in multiple occupation. Disabled facilities grants and grants for private sector renewal are provided by the Council under part 1 of the Housing Grants, Construction and Regeneration Act 1996.
- 7.3 With regards the prevention and management of homelessness, the Council has specific responsibilities set out in homelessness legislation dating back to the Housing Act 1996. These have most recently been augmented by the Homelessness Reduction Act 2017 which imposed additional duties on LHAs around the prevention and relief of homelessness and assessment of cases.
- 7.4 The Localism Act 2011 introduced a duty on LHAs to prepare and publish a Tenancy Strategy, setting out the high level objectives which registered providers of social housing (RPs) operating in the district need to 'have regard to' in formulating their own policies on tenancies.
- 7.5 The Housing Strategy provides a framework for these statutory roles and responsibilities, setting objectives and identifying priorities for action as well as pulling together local partners to enable delivery. Although LHAs no longer have a duty to produce a housing strategy (section 29 of the Deregulation Act 2015 removed this requirement), it is established good practice to do so.
- 7.6 The priorities identified in the proposed Strategy will be delivered via detailed action plans that will be produced on an annual basis. This will ensure that activity will be informed by the future operating environment (including changes in legal and policy areas), whilst also taking in to account the availability of resources, creating actions that are realistic and achievable.
- 7.7 The proposed Housing Strategy supports planning policy, conforming with and complementing the Council's proposed Local Plan for 2011-2031, which is currently undergoing examination. It is consistent with the housing aspirations contained within the North Hertfordshire Partnership's Sustainable Community Strategy 2009-2021 and complements the Hertfordshire Health and Wellbeing Strategy 2016-2020.

8. RELEVANT CONSIDERATIONS

- 8.1 The housing sector has continued to change at a fast pace over recent years. There has been further deregulation of the sector, with LHAs less able to exert influence on RPs. At the same time, changes in the operating environment, particularly the funding regime, have meant that the priorities of RPs are no longer necessarily consistent with those of the Council.
- 8.2 Continuing welfare reform, including the freeze on Housing Benefit levels for private sector tenants and reductions in the overall benefit cap have impacted on the affordability of homes for local residents and the roll out of Universal Credit in the district is likely to exert further pressure.

- 8.3 Since the last Housing Strategy, LHAs have been given new legal duties and powers: to prevent and relieve homelessness and to tackle rough sleeping; to improve housing conditions in the private rented sector including taking action against criminal landlords; and to license a wider number of houses in multiple occupation, amongst others.
- 8.4 The proposed Housing Strategy (2019-2024) recognises these challenging – and ever shifting - policy and operating environments and proposes to focus on three core, realistic areas of activity:
- maximising the supply of affordable housing;
 - improving housing conditions; and
 - preventing and managing homelessness.
- 8.5 The proposed Housing Strategy brings together our proposed Homelessness and Rough Sleeping Strategy and a refreshed Tenancy Strategy into one document as all are closely linked, as well as for ease of reference.
- 8.6 Maximising the supply of affordable housing is fundamental to meeting the housing needs of the district. There is a significant need for new homes, both private/market and affordable, as evidenced in the proposed Local Plan which will be the primary means of delivery. The proposed Housing Strategy complements the Council's strategic planning function, setting as a priority negotiation with developers to deliver maximum viable affordable housing on new build sites.
- 8.7 The proposed Strategy also identifies the need to undertake research to determine which housing products are genuinely affordable for local residents, given the continuing issues around affordability in the district and particularly so in rural areas.
- 8.8 As well as focusing on the delivery of new homes, the proposed Strategy recognises the need to ensure that the district's existing supply of homes is used as effectively as possible – this includes a priority to tackle empty residential properties and bring them back into use.
- 8.9 The proposed Strategy's focus on improving housing conditions recognises the pivotal role that access to good quality housing has on residents' health and wellbeing. Priorities include supporting residents through local grant or central government funding (such as that available through the Energy Company Obligation scheme) to achieve reasonable standards of thermal efficiency and to reduce fuel poverty. We will also be making use of the full range of enforcement tools available to tackle private sector landlords who not do fulfil their legal responsibilities to tenants.

Homelessness and Rough Sleeping Strategy

- 8.10 The prevention and management of homelessness is a key aspect of the proposed Housing Strategy as it provides a framework for the Council to meet its legal requirements around homelessness; this section of the Strategy comprises our Homelessness and Rough Sleeping Strategy. This has been informed by a review of homelessness in the district, commissioned from an external consultant. The review highlights the pressure that high private sector rents, continuing welfare reform and high demand for affordable housing exert on homelessness levels in the district. The introduction of additional legal duties under the Homelessness Reduction Act 2017 have, early indications suggest, significantly increased caseloads for the Council's Homelessness and Housing Advice Service.
- 8.11 The proposed Homelessness and Rough Sleeping Strategy sets priorities around: the prevention and early identification of homelessness; ensuring a sufficient supply of accommodation and particularly for single homeless people; and securing the provision of short term and ongoing support for those who need it. It also highlights the need to continue to work closely with key local partners such as The Haven, Herts Young Homeless, Citizens Advice and the Black Squirrel Credit Union, without whom much of the Council's work would not be achievable.

Tenancy Strategy

- 8.13 The Council's Tenancy Strategy dates back to 2012 when the sector was just beginning to adjust to a new regime of fixed term tenancies and Affordable Rent in particular, introduced by the Localism Act 2011. Since then, many areas of uncertainty and concern, particularly around the use of Affordable Rent have been resolved and it is timely to refresh the Tenancy Strategy in line with the proposed new Housing Strategy.
- 8.14 The refreshed Tenancy Strategy, whilst remaining unchanged in its core messages, adopts a more pragmatic approach to tenancy issues; it also acknowledges that LHAs now have less ability to influence RP's activities.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet's terms of reference include at paragraph 5.6.1 of the Council's Constitution "To prepare and agree to implement policies and strategies other than those reserved to Council" and 5.6.15 "To oversee the provision of all the Council's services other than those functions reserved to the Council". Housing and homelessness are Executive functions and are therefore not matters reserved to Council.
- 9.2 Section 1 of the Housing Act 1985 confirms that the District Council is the Local Housing Authority (LHA).
- 9.3 Sections 1 and 7 of the Homelessness Act 2002 outlines the duty of LHAs to formulate a homelessness strategy. Section 1 (a) and (b) notes that a local authority may from time to time carry out a homelessness review for their district and formulate and publish a homelessness strategy based on the results of that review. Section 1(4)

notes that a new homelessness strategy shall be published within the period of 5 years beginning with the day on which their last homelessness strategy was published.

- 9.4 Section 150 (1)(a) to (d) of the Localism Act 2011 states that the LHA must prepare and publish a tenancy strategy setting out the matters to which the registered providers of social housing for its district are to have regard in formulating policies relating to:- the kinds of tenancies they grant; the circumstances in which they will grant a tenancy of a particular kind; where they grant tenancies for a term certain, the lengths of the terms and the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.
- 9.5 Section 150 (5) and (6) of the Localism Act 2011 states that a local housing authority must keep its tenancy strategy under review, and may modify or replace it from time to time. If a local housing authority modifies its tenancy strategy, it must publish the modifications or the strategy as modified (as it considers appropriate).

10. FINANCIAL IMPLICATIONS

- 10.1 The MHCLG has provided all LHAs with Flexible Homelessness Support Grant (FHSG) and Transitional New Burdens funding on an annual basis since 2017/18. This funding is ring-fenced and has been provided to help LHAs meet new legal responsibilities introduced by the Homelessness Reduction Act 2017.
- 10.2 The Council allocation of ring-fenced FHSG for 2017/18 and 2018/19 and new burdens funding for 2017/18, 2018/19 and 2019/20 has already been committed (via Cabinet resolutions in September 2017 and two subsequent decisions made under delegated authority by the Service Director – Regulatory, in consultation with the Executive Member for Housing and Environmental Health) on homelessness services. The Council's allocation of FHSG for 2019/20 is £173k; this was announced after Cabinet's September 2017 resolution and is currently uncommitted.
- 10.3 Home Repair Assistance Grants are a means-tested discretionary form of assistance that is specifically designed to provide practical help, through a grant for small-scale works to improve the condition of an applicant's home. This capital budget is considered as part of the Council's annual budget setting process and in February 2019, Full Council resolved to support the £60k annual budget through to 2023/2024.

11. RISK IMPLICATIONS

- 11.1 There is a risk of the Council being legally challenged and/or criticised if it does not comply with the LHA requirement of a published Homelessness and Rough Sleeper Strategy.
- 11.2 The availability of MHCLG homelessness funding beyond 2019/20 is currently unknown. As this currently funds vital homelessness services, the situation will be closely monitored and alternative options reviewed as appropriate.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 The proposed Strategy sets out high level priorities within the broad, wide-ranging work areas of: maximising the supply of affordable housing; improving standards of housing; and preventing and managing homelessness. The priorities identified in the proposed Strategy will benefit households in the district – including those who are homeless and sleeping rough - who are on the lowest incomes and face the greatest risks of social and economic exclusion.
- 12.3 A high level Equalities Impact Assessment has been conducted and is attached at Appendix 3. The requirement for more detailed Assessments will be considered in advance of the implementation of specific policies.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and “go local” policy do not apply to this report.

14. HUMAN RESOURCE IMPLICATIONS

- 14.1 There are no direct human resource implications arising from the proposals contained in this report.

15. APPENDICES

- 15.1 Appendix 1 – Proposed Housing Strategy (2019-2024)
- 15.2 Appendix 2 – Feedback from consultation exercise (with Council responses)
- 15.3 Appendix 3 – Equalities Impact Assessment

16. CONTACT OFFICERS

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17. BACKGROUND PAPERS

- 17.1 Review of Homelessness in North Hertfordshire, RSM, December 2018
<https://www.north-herts.gov.uk/home/housing/housing-strategies-and-plans/housing-and-tenancy-strategies>