

TELFORD & WREKIN COUNCIL

SCRUTINY MANAGEMENT BOARD - 9TH JANUARY 2012

MEETING HOUSING NEEDS

REPORT OF HEAD OF HOUSING & PLANNING

1.0 PURPOSE

- 1.0 To respond to specific questions raised by members of the Scrutiny Management Board relating to actions being taken to meet local housing need and in relation to the Choose Your Home Scheme (CYH).

2.0 SUMMARY

- 2.1 The Council works closely with the Wrekin Housing Trust who manage CYH. There continues to be a significant gap between the number of homes available through the scheme and the number of people waiting for accommodation in the Borough. This is not a new issue, nor unique to the Borough and is a concern across the housing sector nationally. It means that the Council must continue to work with the Trust and other Registered Providers to maximise opportunities through the scheme, deliver proactive housing options advice, including exploring opportunities within the private sector, alongside prioritising those most in need of housing.
- 2.2 Members of the Scrutiny Committee raised some specific questions around the Council's Allocation Policy and the Choose Your Home Scheme and, this report seeks to briefly respond to these:
1. An update on Telford & Wrekin's Housing Allocation Policy
 2. The scale of the housing problem in the Borough
 3. Clarification on the flexibility of moving from one band to another on the Choose Your Home scheme
 4. Clarification regarding applicants moving into the Borough from outside the area through the Choose Your Home scheme
 5. Any feedback from other Registered Providers (Housing Associations) regarding Choose Your Home
 6. Update on numbers of new homes being delivered in the Borough
 7. Update on the Government's new housing proposals

3.0 INFORMATION

An update on Telford & Wrekin's Housing Allocation Policy

- 3.1 Local authorities are required by Government to have an Allocation Policy, even if they are no longer landlords. In this instance the Policy maybe one and the same with the Choice Based Lettings Scheme. The policy is a guide for how local authorities, social housing providers (housing associations) and private landlords should work together to make the best use of housing stock. It should also provide a framework for ensuring that priority for housing goes to those in greatest housing need. In Telford & Wrekin the Council has indicated a preference to produce an Allocations Policy separate to CYH. This will allow for a broader range of housing options to be covered including making the best use of private rented

accommodation and affordable, low cost and shared ownership properties. The Policy also supports the Council's work to improve the supply of private sector housing available across the Borough. The Policy does need to work effectively alongside CYH.

- 3.2 Work on Telford & Wrekin Council's Allocation Policy is in progress. Some delay to the finalisation of the Policy has been caused while waiting initially for the Government's consultation paper, *Local decisions: A fairer future for social housing* and more recently the new National Housing Strategy. The later document issued in late November indicates that further national guidance will be produced for public consultation in December 2011 specifically in relation to the development and content of Allocations Policies.
- 3.3 It is proposed to progress the development of the Policy in the New Year using the new guidance and with the involvement of key stakeholders prior to bringing forward an updated draft and undertaking public consultation in the Spring.

The scale of the housing problem in the Borough

- 3.4 There is a need for more affordable homes across the Borough. The latest Strategic Housing Market Assessment (SHMA) for Telford & Wrekin identifies an annual net shortfall of more than 1,200 affordable homes every year. The majority of these should be for social rent.
- 3.5 There are currently some 20,000 applicants for affordable housing registered on CYH. Of these 629 (3%) are in the 'urgent' band, 16,010 (78%) in 'needing' and 4,007 (19%) in 'wanting'. The Authority is working with local housing associations and other providers and private developers to manage supply, deliver proactive housing options advice and to develop new ways to increase affordable supply, for example, through encouraging the re-use of empty properties and the Bond scheme. The later is providing a pool of private rented properties for those identified as homeless and therefore in urgent need.

Flexibility to move from one band to the other on the Choose Your Home Scheme

- 3.6 Members of the Board have previously asked that CYH partner organisations look at the urgent banding to allow some flexibility to enable those people who have the greatest needs to be dealt with accordingly. There is now an "Emergency Priority" band on CYH which allows for this flexibility and covers:
- Customers who are unable to live in their home due to unforeseen circumstances, such as fire or flood
 - Customers whose circumstances are such that to remain in their existing home could pose a risk to life
 - Customers whose current home is unsuitable for their medical need and, if not addressed they would require temporary accommodation
- 3.7 Applicants who fall into these categories are given a time limited "Emergency priority" which enables them to bid on properties over and above anyone else in the other bands (urgent, needing & wanting)

Applicants moving from outside the Borough into the area through the Choose Your Home Scheme

- 3.8 One of the original concepts of choice based lettings schemes nationally was to afford everyone equal choice, regardless of where they lived and to encourage mobility. T&W CYH was developed in accordance with this and therefore anyone can apply to the scheme and, once they are registered and placed in the relevant band for their circumstances they can then bid for properties. It is possible that in some instances people from outside the area could then get housed before local people. However, some schemes and properties are advertised on CYH with a "local lettings plan" attached and, quite often this specifies that an applicant needs a close connection with the specific area to enable them to bid. This does not preclude those from outside the area applying, but priority will be given to those who fulfil the criteria.
- 3.9 It should be noted that other areas of the country currently operate similar schemes which means that residents of T&W could apply to other areas. The Government's new housing strategy (summarised at point 3.7) also highlights the need for flexibility around people being able to move freely between areas, although this is aimed primarily at current tenants of social housing. It also suggests that waiting lists should only be for those in housing need which may then preclude those from outside the area.
- 3.10 The council's housing allocation policy will consider the appropriateness and application of local connection within its consultation.

Feedback from other Registered providers (Housing Associations) regarding Choose Your Home

- 3.11 T&W is not aware of any feedback on the scheme at the present time, but all providers and T&W are represented at CYH Partnership Board which meets once a quarter to discuss and update on any issues, new ideas and general information exchange.

New houses in the Borough

- 3.12 Despite the recession the borough has sustained an upward trend in housing completions with 686 completions in 2010/11 and 700 projected for 2011/12. A recent Housebuilders Federation Report shows that Telford & Wrekin are number one in the West Midlands for housing starts and remarks that we are the only one actively enabling house-building in order to seek to meet household projections.
- 3.13 In relation to affordable housing the Council, working with local partners, is helping to deliver 150-200 affordable homes in the Borough every year. In 2010/11, 202 new affordable homes were provided in Telford & Wrekin. This includes homes for social rent, intermediate rent and low cost home ownership. This is an increase of 15% on 2009/10 and, the number of new affordable homes provided in the Borough has increased consistently over the last 5 years when, prior to this the long term average was around 100 per year. However, given the reduction in public funding, and conditions in the housing market, it is not certain if this level of delivery can be maintained.
- 3.14 The Council has worked with the Homes & Communities Agency (HCA) and local housing associations to maximise funding from the National Affordable Housing

Programme (NAHP), 2011-15. The Council and HCA are also delivering up to 200 new affordable homes by providing land at 'nil value'.

- 3.15 The Council has also worked closely with partners to deliver a programme of new extra care housing across the Borough. Since 2006, over 300 units of extra care housing have been provided or put into the 'development' pipeline. As well as meeting the needs of older people, extra care can help to release general needs housing in the community.
- 3.16 Other homes are also being delivered to meet other specialist housing needs, including people with a learning or physical disability.

Update on the Government's new housing proposals

- 3.17 The recently published National Housing Strategy *Laying the Foundations – A Housing Strategy for England* confirms that the government intends to 'reform' social housing, moving it away from being a home for life. Proposals include:
- Increasing priority for service personnel with urgent housing need
 - Revitalising 'right to buy' with increased discounts and promise of one house to be built for every one sold
 - Action promised on ASB and tenancy abuse including illegal sub letting
 - Support for greater role for private rented sector including increasing incentives to build to rent
- 3.18 The Strategy alludes to a raft of further guidance and consultation documents. This includes guidance on housing allocations policies which the Authority will need to consider in finalising its approach.
- 3.19 A number of measures are set out in the Localism Act, including fixed term tenancies of up to five years for new tenants and ending the requirement for 'open' waiting lists. In relation to this Local Authorities must also produce a Tenancy Strategy by November 2012 to which all local housing providers 'must have regard to' in their policies. This will seek to guide the use of fixed term tenancies and the new Affordable Rent tenure (which is based on a rent of a maximum of 80% of the local market rent value). The development of an initial draft of this Strategy will be twin tracked with work up update and consult on the Allocations Policy.

4.0 CONCLUSION

- 4.1 The Council will continue to work with colleagues across all agencies including Wrekin Housing Trust, to develop a robust allocation policy that seeks to address the housing needs of the residents of the Borough, whilst at the same time using its strategic and planning powers to improve both the quality and availability of affordable housing.