

Agenda Item No: 6 **Report No:** 152/14

Report Title: The Provision of Rural and Urban Housing - Update Report

Report To: Scrutiny Committee **Date:** 23 October 2014

Cabinet Member: Councillor Tom Jones and Councillor Paul Franklin

Ward(s) Affected: All

Report By: Nazeya Hussain, Director of Business Strategy and Development

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Purpose of Report:

To update the Committee on the recommendations from the Scrutiny Reviews – the Provision of Rural and Urban Housing

Officers Recommendation(s):

- 1 To consider the update and make recommendations for further action if required.

Reasons for Recommendations

- 1 To ensure the Committee is kept fully up to date with the recommendations from Scrutiny Reviews.

Information

- 2 During 2011/12, a Panel of the Scrutiny Committee, chaired by Councillor Sarah Osborne, undertook a Scrutiny Review to examine the Provision of Affordable housing in rural areas.
- 3 As part of this, the Panel carried out a consultation day along with visits to Chichester District Council and a number of affordable housing developments.
- 4 The recommendations on the Provision of Affordable Housing in rural areas were presented to Cabinet on 17 April 2012 and the link can be found in paragraph 15 .

- 5 During 2012/13, a Panel of the Scrutiny Committee, chaired by Councillor Sarah Osborne, undertook a Scrutiny Review to examine the Provision of Affordable housing in urban areas.
- 6 As part of this, the Panel carried out a number of consultation sessions, along with visits to Arun District Council and a number of affordable housing developments.
- 7 The recommendations on the Provision of Affordable Housing in Urban areas were presented to Cabinet on 11 July 2013 and the link can be found in paragraph 15.
- 8 This Report provides the Committee with an update on the recommendations.
- 9 The work on Rural and Urban Housing is being jointly carried out by the Service Delivery Directorate and the Business Strategy and Development Directorate.

Financial Appraisal

- 10 There are no direct financial implications as a result of this report, the Scrutiny Committee has a budget to undertake Scrutiny reviews if required.

Legal Implications

- 11 There are no legal implications arising from this Report.

Sustainability Implications

- 12 I have not completed the Sustainability Implications Questionnaire as this Report is exempt from the requirement because it is a progress report.

Risk Management Implications.

- 13 There are no risk management implications arising as a result of this Report.

Equality Screening

- 14 I have completed the initial Equality Impact Assessment screening exercise and have identified no negative impacts arising from this Report. Therefore, a full Equality Impact Assessment is not required.

Background Papers

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[The provision of affordable housing rural areas](#)

[The provision of affordable housing urban areas](#)

Appendices

- 16 Appendix A: Update on Recommendations

Appendix A

	Recommendations – Rural	Progress / Actions Taken
1	Support Town and Parish Councils in preparing neighbourhood plans, and “community right to build” initiatives, in assessing local housing needs and in identifying sites to meet those needs.	The Council has continued with its support for Neighbourhood Plans and significant progress is now being made on seven such plans in the district. Through the support that has been provided to Neighbourhood Planning it has become evident that there is little appetite amongst Town and Parish Council’s to pursue a Community Right to Build project (generally due to the focus being on the Neighbourhood Plan). This reflects the national picture concerning this issue.
2	Use the current review of Lewes District Council’s Property Strategy to establish if there are any sites which could be released for affordable housing initiatives.	The Property Strategy has some overlaps with the Core strategy, but is a stand-alone piece of work, with links to several of the proposals in this report.
3	Seek partnerships with ESCC on any vacant land they may have which is suitable for affordable housing.	This work would need to be started and brought alongside the work of action 2.
4	Consider whether Lewes District Council should explore a formal partnership with a registered provider/social landlord to bring forward land for development and deliver affordable housing based on the Chichester model (for example setting long term delivery targets, linking schemes in different places, and accessing new funding streams).	<p>At the time the Scrutiny Panel visited CDC and also at the January 2013 Cabinet report, the details of the Regeneration Partner Project (49 Sites) had yet to be announced. Many of the LDC sites which were anticipated as forming part of the 5-year rural agreement are no longer available because of the inclusion in the Council’s Property Portfolio Project.</p> <p>CDC officers observed that their 5-year development partnership had benefited from a large number of Council owned sites being available for development, and also grant levels of £60-75k per unit from the HCA, which are now reduced to £10-20k per unit.</p> <p>The potential options for Local Councils to borrow money and build new affordable housing themselves are now better understood. The current LDC approach is to further explore opportunities for developing homes ourselves where possible, rather than leaving it to registered providers.</p>
5	Liaise directly with landowners on opportunities to develop social housing	Current staff resources have not allowed for work in this area to be

	schemes through the use of information packs, site visits to see model schemes, testimonials from landowners who have provided sites, along with the South Downs National Park Authority.	progressed
6	Explore whether rural employers experiencing recruiting difficulties (e.g schools) have land which could be used to provide "tied housing" for their employees.	Current staff resources have not allowed for work in this area to be progressed
7	Discuss with the National Farmers Union and Country Landowners and Business Association whether there are opportunities for "home on the farm" initiatives in Sussex.	This recommendation has been somewhat overtaken by changes to the national planning system, whereby permitted development rights have been extended to allow for the change of use of disused agricultural barns to untied residential units without the need for planning permission. The 'Home on the Farm' initiative was one of the driving factors behind this change.
8	Develop a programme for bringing empty houses back into use.	A project was established with BHCC to tackle the problem of Empty Homes, but the project was ended due to poor take up. However, records showed a natural reduction in the number of empty homes due to market conditions.
9	Examine the scope for new affordable housing within existing developments, through redevelopment of existing sites at higher densities and redevelopment of underused garage courts.	A project is being undertaken to assess all possible options of redevelopment of potential HRA sites. An initial screening of a large number of small sites within existing developments has taken place and a number of financial models are being looked at will be presented to the Nexus Transformation Board before the end of the year.
10	Consider scope for a local authority based lettings agency in East Sussex, which provides a service for local landlords and opens up provision of accommodation for local people to set standards.	A project headed by Sarah Findlay is underway to explore the possible options for setting up a local authority lettings agency. There are currently no fixed timescales for delivery; Gillian Marston is overseeing this project.
11	Closer working between housing and planning officers on identifying and delivering schemes, through a project team approach and as part of Programme Nexus at Lewes District Council.	The new Strategic Policy Team is now made up of housing and planning officers who undertake this work. This team is very much in its infancy, but is already working on key projects such as North Street and the Property Portfolio Project.
12	Lewes District Council consider undertaking a Housing Needs Survey across the District in rural areas.	A Housing Needs Assessment has been undertaken across the District. And can be found on the LDC website; http://www.lewes.gov.uk/Files/plan_Affordable_Housing_Needs_Assessment.pdf
13	Publicise the problems arising from lack of affordable housing in rural areas and the benefits arising from new affordable housing schemes via the website, site visits, testimonials from Parish Councils who have delivered successful schemes and providing information to local estate agents.	Current staff resources have not allowed for work in this area to be progressed

14	Explain the differences between private sector housing development and “exception site” schemes.	Where appropriate this work is undertaken by Neighbourhood Planning Officers.
15	Improve pre-planning application discussions on “exception sites” schemes within Parishes, so people are aware of need, the benefits of schemes, alternative sites assessed, and why a preferred site is being taken forward.	This work will be developed when an exception site comes forward in the future.
16	Develop a communications strategy for each “exception site” scheme, which could include web sites, parish magazines, community events etc. and partnership funding of literature.	This work will be developed when an exception site comes forward in the future. The Strategic Policy team will be exploring potential options for delivering such schemes, in partnership with Parish Council’s, during the coming year.
17	Develop a protocol with Parish Councils and Action in Rural Sussex (AiRS) on the provision of affordable housing through “exception sites”, setting out what each party will do at each stage of the process, including the allocation of tenancies.	Protocol has been drafted but not yet adopted by stakeholders
18	Improve Lewes District Council webpages on provision of affordable housing in rural areas (Rother District Council pages offer some good ideas).	This work has not yet been progressed, but will be looked at during the wider Council project that is looking to redesign the website.
19	Use affordable housing schemes to address local problems (such as the provision of new off-street parking, allotments and play spaces) or provide new facilities (community orchards, land share projects) so that local people see the direct benefit from the schemes.*	This work will be developed when an exception site comes forward in the future.
20	Arrange schools/community group site visits during, and after, the construction of affordable housing schemes.*	Current staff resources have not allowed for work in this area to be progressed
21	Endorse AiRS in developing a county-wide, or regional, Community Land Trust to help Parish Councils developing community-led housing initiatives.	LDC is supportive of the work being done by AiRS in this area.
22	Consider the use of Lewes District Council’s capital receipts from the sale of Council housing for the direct provision of new affordable housing.*	The Council is allowed to spend one third of the receipts received from the sale of right to buy properties on the development of new affordable homes within a 3 year period of the property being sold. Analysis has been carried out to establish how much money will be available over the next 3 years and this being factored into the project to develop HRA sites. (see recommendation 9)

23	Explore the financial viability of self-funded community schemes to provide social housing for the “downsizing elderly” and for the “18-35s”, and whether they could be linked.	A project has been presented to the Nexus Board and the detail is being worked upon, to offer older people with large under used homes the chance to convert their properties into 2 or more apartments, allowing them to stay in their property with their own independence and front door, and retain the freehold of the entire property. But also supply them with an income, provide an additional housing unit for a younger person and potential an onsite support for odd jobs.
24	Monitor the progress of whether the issuing of bonds by social landlords can provide new sources of finance for affordable housing in rural areas.	Social landlords Affinity Sutton, Hastoe and Saxon Weald have been spoken to and they have all taken out bonds to help finance new affordable housing
25	Investigate the Equity Loan scheme in partnership with a financial institution.	Current staff resources have not allowed for work in this area to be progressed
26	Provide training sessions for Parish Councils on community-led housing initiatives(Community Right to Build, Community Right to Buy and Community Land Trusts).	As part of the introduction and roll out of neighbourhood planning, relevant Parish Council’s (i.e. those that LDC is the planning authority for) have been introduced to such initiatives
27	Provide induction training on affordable housing in rural areas for all new District, Town and Parish Councillors.	This will form part of the training for all District Councillors after the election in May 2015. Through the briefing and training sessions provided to Town and Parish Councils & District Councillors on planning policy work over the last couple of years, the issue of affordable housing has been raised, with the findings from studies such as the Assessment of Housing Need being put to all parties.
28	Publicise the online training material on affordable housing available from the Homes and Communities Agency.	Current staff resources have not allowed for work in this area to be progressed
29	Review officer capacity at Lewes District Council to deliver the above actions, or the need to further develop relationships with AiRS, partner local authority, or other provider, if there is a significant increase in Parish activity on affordable housing schemes.	This has recently been undertaken and it is the view of officers that some short-term additional capacity is required in order to implement a number of recommendations, or, consideration is given to what recommendations are absolute priorities to the Council.

	Recommendations - Urban	Background	Progress / Actions taken
1	That affordable housing is made a corporate priority at Lewes District Council	<p>Being a corporate priority means:</p> <ul style="list-style-type: none"> • Giving a high political priority to delivering a significant increase in the provision of affordable housing in the future. • Setting a challenging, but achievable, medium term (5 year) target for increased delivery of affordable housing. • Appointing a cabinet member to champion this objective, both within the organisation and in local communities. • Allocating sufficient staff, finance and land , and setting up management arrangements, to achieve the objective. • Forging strong partnerships with other organisations who can help in achieving the objective. 	<ul style="list-style-type: none"> • The delivery of affordable housing has been placed high in the Council's priorities for the North Street Quarter project. • The 2013/14 Council Plan stated a target of producing 1000 properties over 5 years. Given the restrictions of funding and planning, it arguable that this was not a achievable target. • No Cabinet member was formally appointed to specifically champion the above target, however there is now a Portfolio Holder for Service Delivery (which includes New Housing delivery), and also a Portfolio holder for Strategy and Development.
2	That a medium term target of a minimum of 500 units is set for affordable housing across the District over five years		<ul style="list-style-type: none"> • Cabinet has not formally adopted this target, however, a key tool to secure an increase in affordable housing provision is the relevant development plan policy. In this regard, significant progress has been made with putting in place the Core Strategy policy on affordable housing (the plan has been submitted for Examination).
3	That a working group is set up with key internal and	Partners for this meeting would include East	<ul style="list-style-type: none"> • This working group has not been

	external representatives from across the District area, with the remit of ensuring the affordable housing target is achieved.	Sussex County Council Social Services (who are keen to work with the District Council in this area), relevant town councils, South Downs National Park Authority, Community Land Trusts, Local Enterprise Partnerships and the Homes and Communities Agency (where appropriate).	established, although links have been built and regular meetings taken place between officers and each of these
3a	That the Council adopts an arrangement for the examination of possible sites across the District to use for affordable housing including opportunities to intervene in private market failures.	The Council's disposal of assets plan already puts plans in place to examine current assets, this recommendation is for those sites that fall outside that plan.	<ul style="list-style-type: none"> LDC has a number of projects ongoing to identify all Council owned land with suitability for new affordable housing. There is currently no project underway to identify sites in private ownership for affordable housing.
3b	That the Council, following on from the decision to purchase The Crest in Newhaven, develop a framework of resources for intervention in stalled sites within the District which have an existing planning permission over a year old.	<p><i>"Tackling problems with stalled development is essential to getting builders back on moth-balled sites and building the homes we need. There is huge potential in sites to boost local economies and we simply cannot afford to have them lying idle". (Eric Pickles)</i></p>	<ul style="list-style-type: none"> There has been no framework developed. Ongoing work by the Policy team looks at all sites benefiting from unimplemented permissions for residential development. A number of stalled sites are generally due to wider market conditions, but in such cases the developer is still wishing to implement the permission. Often other alternatives (Builders Finance Fund) are being pursued to speed up the delivery of such schemes.
3c	That the Council considers a systematic approach to the delivery of affordable housing in and above empty shops where appropriate and with local support.	This project would start by undertaking a survey with shop owners to establish the level of empty sites. It would then work with landlords to help them overcome issues, such as access and security, to be able to deliver affordable housing in their properties.	<ul style="list-style-type: none"> This recommendation has been somewhat overtaken by wider changes to the planning system, whereby the change of use of such properties to residential (not necessary affordable) is now considered to be permitted development in a number of cases. Hence, the Council has little, or no control over this recommendation.
3d	That the Council continues to support developments	The Government welcomed this action plan and	<ul style="list-style-type: none"> The Council continues to support the

	of non-traditional building projects such as through flat pack, self build and park homes schemes, with the provision of land for the creation of affordable housing.	<p>announced the following actions which are now being implemented:</p> <ul style="list-style-type: none"> • Councils to establish the demand for self-build housing in their area, and take positive steps to permit it to happen • Maximise opportunities for self-builders to access land which central government is releasing as part of its accelerated public land disposals programme • Promote larger-scale, locally planned self-build home developments • Continue to work closely with industry to establish a one-stop shop for advice and support to would-be self-builders • appoint an industry champion for self-builders • The Homes and Communities Agency to administer a fund to make £30 million available to provide short-term loans for groups of prospective self-builders 	<p>development of non-traditional house building with a development at Lambert Place, Lewes.</p> <ul style="list-style-type: none"> • The Council have had discussions with one group wishing to build self build affordable homes and one developer looking to deliver serviced plots as part of a larger development. • There have been no actions taken to encourage the development of Park Homes.
4	That the Council adopt a Scheme where developers are asked to use local businesses, suppliers and apprentices within new developments	This recommendation came from the Panel's visit to Arun District Council who run a similar scheme called Arun Charter Plus. The purpose of the Charter was to maximise awareness of the opportunities presented by development and investment in and across Arun for the benefit of local people, companies and communities.	Although initial discussions at officer level have taken place on this scheme, however issues over tendering and measuring local benefits vs costs have meant that the Council has not yet adopted this scheme.
5	That the Council develop a framework for assessing the social value of land alongside the monetary value when assessing land value for the development of	This would predominately be used for land that Lewes District Council owned. This could be achieved through the following ways:	There are significant variations in nature and restrictions of each site upon which the Council may have to decide between the

	affordable housing.	<p>a) Identify the contributors to social value.</p> <p>b) Identify a system for scoring these contributors.</p> <p>c) Allocate values to each contributor.</p> <p>d) Attempt to put a price on these.</p>	monetary value and the merits of the social value. This has meant there is not yet a framework in place.
6	That the Council considers current financial models and resources required to deliver recommendations 1-9	<p>The Panel recognises that the above recommendations cannot be delivered under the current resources available. Therefore, more will be required either through the use of financial models or through the secondment of an officer within the Council, a new officer appointed to deliver this or through partnership working.</p> <p>The Panel requests that Cabinet considers the allocation of money from the New Homes Bonus Scheme in order to fund new affordable housing projects in the District.</p> <p>Cabinet may like to consider whether a Cabinet Member takes the lead for ensuring that any recommendations agreed are delivered, such as by chairing the working group suggested in recommendation 3.</p>	<ul style="list-style-type: none"> • Council Managers have considered a range of options for maximising the capacity of officers working the above areas of work that includes: <ul style="list-style-type: none"> ○ No financial modelling of potential development has identified sufficient funds for additional staff resources. ○ All Council teams are under pressure to maximise their existing staff allocations to deliver Council/statutory objectives and not able to release officers for a secondment. ○ The appointment of an officer to implement the recommendations is being considered for a temporary period with the potential of using unspent REEM reserve budget set aside for the Housing Needs Survey. • New Homes Bonus money has been allocated to the Nexus Transformation Programme for the forthcoming years.

