

<b>Report of</b>	<b>Assistant Director of Policy and Corporate</b>	<b>Author</b>	<b>Karen Paton</b> ☎ 282275 <b>Tina Hinson</b> ☎ 506903
<b>Title</b>	<b>Colchester's Housing Strategy 2015-2020 – update for 2016-17</b>		
<b>Wards affected</b>	All wards		

## 1. Executive Summary

- 1.1 Colchester's Housing Strategy 2015-20 was adopted in March 2015 and is part of the Council's Policy Framework. This report seeks to provide an update on the progress of achieving the ambitions set out in that strategy.

Colchester's vision for housing is to:

- Make Colchester a place where people choose to live in a decent, safe and healthy home which meets their needs, at a price they can afford and in locations and neighbourhoods that are sustainable and desirable
- Work to improve the quality of life of local residents.

- 1.2 The strategy commits the Council to maximising the use of Council land and assets to build new affordable housing to meet local needs. In order to achieve this the Council will start to build new Council housing again.

- 1.3 Since the implementation of the Housing Strategy in 2015, there have been many key achievements including:

- Delivery of 206 affordable homes.
- Successfully resettling 13 families in Colchester under the Syrian Vulnerable Persons Resettlement Scheme.
- Working with partner organisations on initiatives to prevent homelessness through the implementation of Colchester's Homelessness Strategy.
- Improving residents' health and safety by removing 798 serious home hazards including excess cold, dampness, sanitary conditions and accidents.
- Proactively supporting 553 households affected by welfare reform.
- Successfully refurbishing 2 of the Council's Sheltered Housing Schemes, Worsnop House and Enoch House.
- Installation of Solar PV Panels to 2895 Council properties (47%) and made 3,600 homes more energy efficient through loft and cavity wall insulation and heating improvements.
- Increasing the use of assistive technology for Council tenants by providing IT classes and installing WI FI in communal lounges.

- 1.4 The 5 year Strategy and Delivery Plan was developed by the Housing Strategy Partnership which includes Colchester Borough Council and its Partner Organisations.

- 1.5 In order to monitor the Housing Strategy and Delivery plan it was agreed that a report on the progress of the actions would be produced on an annual basis and circulated to the relevant stakeholders.

- 1.6 The Housing Strategy Progress Report 2017 (appendix A) contains highlights of some of the actions that have been achieved or have moved forward in the second year of the

strategy. The Delivery Plan (appendix B) and Evidence base (appendix C) have also been updated.

## **2. Recommended Decisions**

2.1 To agree in principle to:

- pursue building new Council homes on suitable housing revenue account (HRA) sites;
- seek to deliver 20 to 30 new Council homes;
- plan to use of 1-4-1 right to buy receipts and up to £5 million of HRA borrowing to fund this development.

2.2 To bring back a detailed report to a future Cabinet meeting setting out the detailed financial and other considerations regarding building new Council homes.

2.3 To continue to make the case to Government that the right to buy scheme needs to work for future generations and meet local need. To achieve this councils need to be able to set discounts locally and keep 100% of sale receipts to replace the homes which are sold.

2.4 To note the update of Colchester's Housing Strategy 2016-17 and in particular the Housing Strategy Progress Report 2017 and Delivery Plan.

## **3. Reason for Recommended Decision**

3.1 No decision is required

## **4. Alternative Options**

4.1 Not to pursue building new affordable Council housing – This could result in households in housing need, including households that are homeless, waiting longer to be housed. By not pursuing building new council houses the Council would not be maximising the opportunity presented to use its own land and financial resources to provide much needed affordable homes for those in housing need.

## **5. Background Information**

- 5.1 The Housing Strategy sets out the Council's ambitions for housing in Colchester over the next 5 years and puts in place objectives, targets and policies that explain how it will play a leading role to:
- Assess and plan for current and future housing needs of the local population.
  - Make the best use of existing housing stock.
  - Plan and facilitate new supply
  - Plan and commission housing support services which link homes to support and other services that people need to live in them.
  - Help create working partnerships that secure effective housing and neighbourhood management.
- 5.2 The 5 year Strategy and Delivery Plan was developed by the Housing Strategy Partnership which includes Colchester Borough Council and its Partner Organisations.
- 5.3 The Housing Strategy is intended to be the local housing authority's vision for housing in its area, it forms the overarching framework against which the authority considers and formulates other policies on more specific housing issues.
- 5.4 The Housing Strategy is a key strategic document for the Local Authority. It does not just cover affordable housing but also sets out what Colchester Borough Council and its partners will do to address the key housing issues facing Colchester
- 5.5 In order to monitor the Housing Strategy and Delivery plan it was agreed that a report on the progress of the actions would be produced on an annual basis and circulated to the relevant stakeholders.

### Aims and Objectives

- 5.6 The aims and objectives of the strategy will be achieved through the implementation of the Delivery Plan, by working closely with a wide range of partners to achieve the vision for housing in Colchester.

The following key priorities were identified for the Housing Strategy:

- Maximise the supply of housing to meet local needs
- Work with partners and residents to create mixed communities which are
- economically, environmentally and socially healthy and resilient
- Prevent homelessness and rough sleeping
- Improve the life chances of Colchester's residents including their Health and Wellbeing
- Work with customers to help them make informed choices about their housing options
- Make the best use of existing homes
- Work to ensure that existing and new homes are healthy, safe and energy efficient
- Ensure that housing and related services meet a range of specialist needs

### The effect of the right to buy council homes

- 5.7 The Right to Buy (RTB) scheme allows eligible council tenants in England to buy their home at a discount. It was introduced by the Housing Act 1980 in England, since then over 1.8 million properties have been purchased by tenants.
- 5.8 The Government increased the size of discounts in 2012. Tenants now get a 35 per cent discount if they have been a tenant for between three and five years. After five years, the discount goes up by 1 per cent for every extra year they've been a tenant, up to a maximum of 70 per cent – or £77,900 across England and £103,900 in London boroughs (whichever is lower). Tenants must have been a public sector tenant for at least three years in order to qualify for the Right to Buy.
- 5.9 Recent research by the Local Government Association (LGA) found that since the change to the amount of discount tenants receive the average discount nationally has increased by 132% to more than £60,000. In 2016/2017, the average discount in Colchester was £71,500.
- 5.10 Between 2011/2012 and 2016/2017 the LGA found that there had been a 409% rise in RTB sales. Table 1 below sets out more detail and gives the local picture for Colchester.

Table 1 Sales of council homes under the right to buy

<b>Year</b>	<b>England</b>	<b>Colchester</b>
2011/2012	2,638	16
2016/2017	13,416	51
% increase in sales	409%	219%
Total sales 2011-2017	58,000	189
Total replacement homes started and or completed 2011-2017	11,357	34

- 5.11 It is estimated that 40% of homes sold under the right to buy nationally pass into the private rented sector where they continue to absorb government funds through local housing allowance (commonly known as housing benefit).
- 5.12 The RTB has been abolished in Scotland (1 August 2016) and in Wales (24 January 2018).

### Building new Council Housing

- 5.13 The Council carried out an initial assessment of the development potential of the land it owns and Cabinet agreed, in principle, to the Business case for sites to be developed by the Council's Local Housing Company.
- 5.14 Building on this work, the Council has in its ownership land which can be used to build new affordable Council homes.
- 5.15 The Council is able to pay for up to 30% of the total costs of building new council homes using 1-4-1 right to buy receipts. The remaining 70% of the costs would come from borrowing, with up to £5 million available from the total borrowing headroom in the Housing Revenue Account.
- 5.16 It is estimated that 20 to 30 homes could be built on Council land.

## Key Achievements for 2016-17

5.7 Some of the key achievements during 2016-17, detailed in the Progress report, include:

- Progress to take forward proposals for three new garden communities across North Essex with the setting up of North Essex Garden Communities Ltd in 2017.
- Delivery of 100 new affordable homes in 2016/2017.
- Completion of the transformation of a 2nd sheltered scheme, Enoch House.
- Successful completion of two “Make a Difference Days” in 2016/2017 to carry out various activities to improve areas across the borough.
- Updated and published Colchester’s Homelessness Strategy delivery plan in conjunction with the project group for 2016.
- Appointed Health and Housing Project Officers to work in partnership with a wide range of health and social care partners to raise awareness of the work of the Private Sector Housing team.
- Improved the safety of 148 private sector dwellings in 2016-17. In addition, 50 Houses in Multiple Occupation were brought up to standard.
- Supported residents affected by welfare reform and preventing homelessness through the provision of the Council’s Discretionary Housing Payment (DHP) Fund. The DHP fund of £342,170 (including £50,000 CBC funding) was spent in 2016/2017.
- Awarded funding of £30k to Catch 22 for one year to provide intensive support for families who are at risk of eviction or who are presenting as homeless.
- Supported 145 tenants affected by the under occupation charge through the work of the Financial Inclusion Team (FIT).
- Completed 118 Disabled Facilities Grants to enable households with disabilities to remain living in their own homes.
- Worked in partnership with ECC, Registered Providers and other Essex local authorities to ensure a co-ordinated approach to supported housing.

## Additional Actions

5.8 The Housing Strategy is a live document and in order to keep it up to date and relevant, the Partnership considers local and national strategies and policies and any new government legislation that may impact on the strategy and housing in Colchester.

The Delivery Plan has been updated and includes some new actions to reflect the changes in legislation, these are:

New actions for Priority 1:

Ensure that Neighborhood Plans which are making housing site allocations are delivered in timely manner consistent with National and Local Policy and provide the policy framework to contribute to meeting local housing need.

Create a new commercial company to take forward Colchester’s housing development ambitions

New action for Priority 3:

Ensure we are best placed to respond to the new duties placed on local authorities as a result of the implementation of the Homelessness Reduction Act 2017.

New actions for Priority 8:

Work in partnership with Essex County Council (ECC), Colchester Borough Homes and supported housing providers to ensure that the support and housing needs of Colchester's residents are still met and are not compromised following procurement activities undertaken by ECC

Review the nominations CBC gives to supported housing providers to ensure that they still meet the strategic priorities of CBC

## **6. Equality, Diversity and Human Rights implications**

- 6.1 An EQIA has been completed for the Housing Strategy 2015-20 and a link to this can be found below:

<http://www.colchester.gov.uk/CHttpHandler.ashx?id=17028&p=0>

## **7. Strategic Plan References**

- 7.1 The Housing Strategy will help to achieve the following goals from the Council's Strategic Plan 2015 - 2018:
- Provide opportunities to increase the number of homes available including those that are affordable for local people and to build and refurbish our own Council houses for people in significant need.
  - Be clear about the major opportunities to work in partnership with public, private and voluntary sectors to achieve more for Colchester than we could on our own.
  - Cultivate Colchester's green spaces and opportunities for health, wellbeing and the enjoyment of all.
  - Ensure Colchester is a welcoming and safe place for residents, visitors and businesses with a friendly feel that embraces tolerance and diversity.

## **8. Consultation**

- 8.1 The Housing Strategy 2015-20 was subject to extensive consultation with partner organisations, stakeholders and the public. The responses to consultations were positive and where comments, amendments and suggestions were made these have been incorporated where appropriate.

## **9. Publicity Considerations**

- 9.1 The Housing Strategy documents including all annually updates are published on the Council's website.

## **10. Financial implications**

- 10.1 No provision for Council House new build has been made in the Housing Investment Programme agreed by Cabinet at its meeting of 31 January 2018. It is anticipated that the total scheme costs arising from the building of HRA Council housing would be funded from 1-4-1 RTB Receipts (up to 30% of the total cost), with the balance of funding coming from additional HRA borrowing using part of the remaining HRA headroom.

- 10.2 Further financial implications will be provided to Cabinet in a future report once the specific sites, number of units and more detailed scheme costs are known.
- 10.3 The Housing Strategy 2015-20 set out a challenging and ambitious vision for housing which is being delivered against a backdrop of significant reduction in funding for local government. In the current financial climate of reduced resources, the Council continues to look carefully at how it uses these resources to deliver the strategy from existing budgets.
- 10.4 The Council continues to encourage its partners to commit their resources to meeting the priorities set out in the strategy. As many of the organisations are members of the Housing Strategy Partnership they helped to shape the strategy and are committed to its delivery.

## **11. Community Safety Implications**

- 11.1 The implementation of the Housing Strategy Delivery Plan strives to have a positive benefit for Community Safety.

## **12. Health and Safety Implications**

- 12.1 There are no Health and Safety implications

## **13. Risk Management Implications**

- 13.1 There are no risk management implications

## **Appendices**

Appendix A: Housing Strategy Progress Report

Appendix B: Housing Strategy Delivery Plan

Appendix C: Housing and Homelessness Strategy Evidence base