

Joint Scrutiny Committee



Report of Head of Housing and Environment and Deputy Chief Executive - Place

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Wards affected: All

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To: Joint Scrutiny Committee

Date: 07 November 2022

Housing Delivery Strategy and Action Plans

Recommendation(s)

(a) That the Joint Scrutiny Committee provide their views on the Housing Delivery Strategy and associated action plans

Purpose of Report

1. To seek the views of the Committee on the proposed Housing Delivery Strategy and associated action plans, to be considered by both Cabinets.

Corporate Objectives

2. South Oxfordshire District Council
 - Action on the Climate emergency
 - Improved economic and community wellbeing
 - Homes and infrastructure that meets local needs.

3. Vale of White Horse District Council

- Providing homes that people need
- Tackling the Climate emergency
- Building healthy communities
- Working in Partnership

Background

4. Everyone needs a home. The availability, affordability, location and quality of housing have major impacts on people's lives and their sense of wellbeing. Increasing the supply of housing remains a priority for national Government with 216,490 new homes being completed in 2020/21, of which 90 per cent were new build and just 24 per cent were considered as affordable, using the National Planning Policy Framework definition.
5. The terms "Affordable housing" and "Social housing" are often used interchangeably in the media and elsewhere. They generally mean the same thing, which is sub-market rent level housing, most usually provided by councils or housing associations (Registered Providers). However "Affordable Rents" and "Social Rents" do have specific meanings. Affordable Rent is defined by national planning guidance as being up to 80 per cent of prevailing market rents in each area. Social Rents (also defined by planning guidance) are calculated according to government rent regime guidance, and typically fall between 45 and 60 per cent of market rents.
6. Across both councils, the high cost of housing has meant that new homes and homes built for "affordable rent" remain unaffordable locally to those on lower incomes. In 2021 the Government introduced funding through Homes England for social rent in areas with "high affordability pressures". Additionally, The Housing and Planning Act 2016 introduced Starter Homes as a new affordable housing product, the prototype for what are now called First Homes. This Act also updated a requirement for local authorities to hold a register of applicants and potential sites for self-build and custom-built housing.
7. Heavily influenced by the concerns arising from Grenfell Tower fire, The Charter for Social Housing Residents was published in November 2020 and emphasised the importance of residents being safe in their homes, informed and listened to, and complaints being dealt with fairly and quickly. The aspirations in the Charter are to be strengthened in the proposed Social Housing Regulation Bill 2021. This will introduce a more rigorous inspection and rectification regime, with new powers granted to the housing Ombudsman. The rights of tenants in all tenures may be strengthened further if the proposed Renters Reform Bill 2021 becomes legislation as it aims to ban no fault evictions, extend the decent homes standard to private rented properties; and introduce a ban on landlords having blanket exclusions of those on benefits.
8. Furthermore, The Levelling Up and Regeneration Bill contains a number of proposals which will impact on the delivery of new homes. It plans to replace the current Section 106 (S. 106) and Community Infrastructure Levy (CIL) with a new

locally set infrastructure levy, gives greater weight to Neighbourhood Plans, already widely in place across the district. The Bill also proposes the use of national and local design codes to set the expected standards of good design to which all new developments must adhere. It includes measures to unlock sites and aims to increase the build out rates for new homes including sites where planning permission has been gained but development is not taking place – known as land banking.

9. Locally, the council plays a role through its Local Plan in enabling it to meet the challenges that the district faces whilst protecting what is valued about the district, and also building on opportunities to make it an even better place. The current Local Plan sets out how development will be planned and delivered across Vale of White Horse to 2031 and South Oxfordshire to 2035. It sets out a vision, shows the strategy which responds to that vision and how it will be delivered working in partnership with everyone with a stake in the future of the district. It also includes policies that are used when determining planning applications. It identifies appropriate areas and sites for development, such as new homes, offices, shops and community facilities, and also outlines how valuable historic and natural environments will be protected and enhanced. The policies in the Local Plan are used to help make decisions on planning applications in the district.
10. More broadly, the council plays a significant role in the development and success of the whole housing system, regardless of tenure. Enforcement within the private rented sector, management of the housing allocations policy for social housing and support for those who are, or are at risk of, homelessness.
11. Housing plays a central role in the council's ambition to take action to tackle the climate emergency, and the strategy outlines its desire to reduce the carbon contribution of existing homes through retrofitting. New developments should look to reduce carbon emissions both in the methods by which homes are constructed (embodied carbon in materials and construction methods), and in the design of the homes. The council is constrained by the requirements of national building regulations, although these have been updated to require reduced carbon emissions. Regulations will be further strengthened when the Future Homes Standard comes into effect in 2025 which will require new builds to produce 75-80% less carbon emissions.
12. Both councils can demonstrate a positive track record of delivery of affordable housing, and this is outlined within the strategy document.

Housing Delivery Strategy

13. The councils, working with an external housing consultant, began work earlier this year to develop a Housing Delivery Strategy which would meet the corporate objectives outlined and look to address delivery of more affordable and social housing at a local level.
14. The strategy document for approval is shown in Appendix 1, and outlines four strategic housing priorities which encapsulate the existing activity and future ambitions. These are:
 - Providing homes to meet current and future local need

- Delivering housing that is truly affordable
- Valuing and supporting council and community led housing initiatives
- Planning for well-designed net zero carbon housing

Action Plans

15. To deliver the Housing Delivery Strategy, officers have identified a strategic action plan for each council, which is shown in Appendix 2. Each action plan is split into short-, medium- and long-term actions and, subject to its approval, officers will aim to deliver within the timescales identified.
16. As part of the operational restructure approved by the Head of Paid Service in February 2022, a new service team was created under the Head of Housing and Environment to focus on Housing Delivery. Recruitment to the post of Housing Delivery Manager is currently underway.

Climate and ecological impact implications

17. The Housing Delivery Strategy has set one of its priorities as “Planning for well-designed net zero carbon housing.” In addition it meets several actions within the corporate plan.
18. Any new homes directly purchased by the council in the future will need to have a financial appraisal for retrofitting to ensure that it meets the minimum standards but aims for higher where possible. Where financially viable, properties would be designed to zero carbon standards on a previously developed site.

Legal and Financial Implications

19. Funding Agreements to be entered into in respect of grant funds to limit risk.
20. Should the council decide to purchase property in the future Legal will be instructed in connection with any procurement required and to carry out the conveyancing in respect of any properties.

Risks

21. There is a risk that the Action Plans will not be delivered to the timescale indicated. To minimise this outcome, Heads of Service have reviewed the Action Plans and will work corporately to deliver the actions, and a dedicated risk register will need to be developed which covers the entire plan and takes account of current resources available for its delivery.
22. The councils transferred their housing stock as part of a Large-Scale Voluntary Transfer (LSVT), and has since been reliant upon external organisations to deliver social housing. It is therefore a risk that the councils have chosen not have expertise in this area if it decided to purchase new social housing of its own. This risk is mitigated by the creation of a new team and recruitment of a suitably experienced Housing Delivery Manager, and the use of experienced external consultants to produce the strategy.

23. There is a risk that conditions on S. 106 funds may prevent the delivery of desired future schemes. This would only be known once the housing needs assessment has been completed, and could result in compromises being made between the perfect type and location of property, and the conditions of the funding. The mitigation is that a financial appraisal will be undertaken, overseen by the Head of Finance, prior to purchase.
24. If one of the councils decided to purchase property, it would be a risk that suitable property will not be available, or once bought may have structural or other issues. This risk would be mitigated by the use of the experienced property team within the Development & Corporate Landlord service
25. It is possible that if one of the councils decided to own property, but wished an external organisation to manage them on its behalf, it may not find a suitable organisations to do such work in the medium term.

Conclusion

26. The Housing Delivery Strategy outlines a direction of travel in how the council will increase the amount of affordable and social housing in the district, whilst taking account of important factors relating to the local community and environment.
27. The associated Action Plans identify a wide range of actions that services from across the council will undertake to support in the delivery of that strategy.
28. Additionally, by continuing to use S.106 funds to support applications from Registered Providers and supporting community led housing initiatives, the councils have a clear opportunity to support the provision of the four key objectives as set out in the Housing Delivery Strategy.
29. The views of the Committee are sought on the proposed Housing Delivery Strategy and associated action plans.

Background Papers

- Housing Delivery Strategy and action plans