
HOUSING STRATEGY MONITORING REPORT

SUMMARY REPORT

Purpose of the Report

1. To brief Scrutiny on the Housing Strategy Monitoring Report and seek members views. A copy of the document is attached at **Appendix 1**.

Summary

2. The Housing Strategy 2012-2017 was approved in July 2012 and contains a commitment to review and assess progress against the targets. This is the second Monitoring Report for the Housing Strategy 2012-2017.
3. Overall, good progress has been made in the first three years of implementing the Housing Strategy. In terms of the six Objectives, we have:
 - (a) Increased the supply and choice of housing
 - (b) Improved the sustainability of housing
 - (c) Improved conditions in the private sector
 - (d) Invested in the regeneration of key locations
 - (e) Provided good quality advice to prevent crisis and ensure access to appropriate housing
 - (f) Provided effective support and opportunities for vulnerable groups
4. Of course, more still needs to be done. However, with 58% of milestones achieved in the first three years of a five year strategy and a further 27% on schedule, we are on course to meeting our six Objectives. In fact, Objective 5: "To provide good quality and timely advice to prevent crisis, increase choice and enable access" has been achieved and continues to be achieved.
5. There are three areas where we are falling short. The first is in the provision of housing to meet local needs. While we had a good year in 2014/15, we have once again fallen short of the objectively assessed housing need. Unfortunately, the forecast number of completions this year (2015/16) is likely to be well short of requirements. Meeting the new housing requirements in the future is going to be very challenging. Consequently, in an effort to increase the number of completions, we are hosting a housing stakeholder event in January 2016 with private house builders, landowners and housing associations. One of the workshops will consider barriers to housing delivery and another workshop will consider strategic infrastructure requirements. The second area where we are falling short is in the Town Centre Fringe. While good progress has been made on the cinema/hotel/restaurant site, little progress has been made on other potential sites.

The third is the failure to deliver the Making and Growing Places DPD to provide a statutory planning document to allocate specific sites for housing. In November 2015, Cabinet decided to withdraw the DPD and begin work on a new Local Plan.

6. As part of this monitoring exercise, 11 milestones (12%) have been deleted as no longer appropriate (a schedule of the deleted Actions is attached to the end of this Report). Only 6 milestones (7%) are behind schedule. No new Priority Actions have been added to the refreshed Action Plan.

Recommendation

7. It is recommended that :-

- (a) Members endorse the Housing Strategy Monitoring Report for consideration by Cabinet.

Ian Williams, Director of Economic Growth

Background Papers

Darlington Housing Strategy 2012-2017

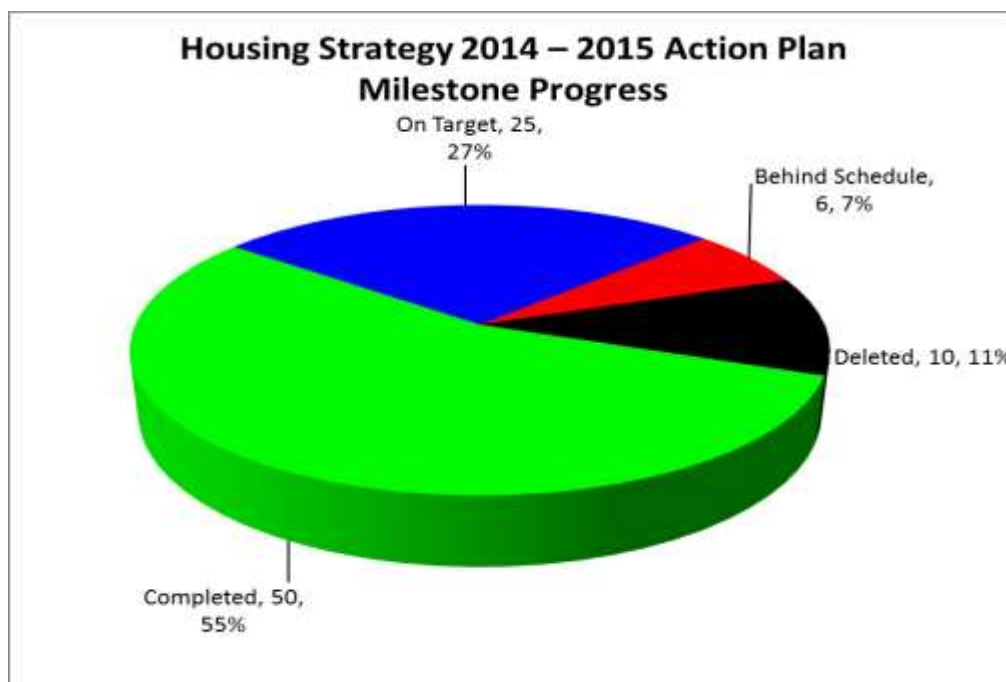
Bryan Huntley: Extension 2623

S17 Crime and Disorder	Empty properties can be a magnet for anti-social behaviour, arson and vandalism. Therefore, reducing the number of empty properties will have a positive impact on crime and disorder.
Health and Well Being	It is universally acknowledged that good housing and good neighbourhoods have positive impacts on health & well being.
Carbon Impact	The delivery of energy efficiency measures through the Strategy will have a positive impact on domestic carbon emissions.
Diversity	No implications
Wards Affected	All
Groups Affected	All
Budget and Policy Framework	No additional implications
Key Decision	No
Urgent Decision	No
One Darlington: Perfectly Placed	The Priority Actions support the vision and outcomes of the Darlington Partnership by seeking to make sure that everyone has access to affordable, decent housing that meets their individual and family needs.
Efficiency	No implications

MAIN REPORT

Information and Analysis

8. The Housing Strategy 2012-2017 was approved in July 2012 and contains a commitment to review and assess progress against the targets. This is the second Monitoring Report for the Housing Strategy 2012-2017.
9. The Strategy contains six clear objectives (below), to be achieved within the five years covered by the Strategy, through a rolling two year Action Plan:-
 - (a) Increase the supply and choice of housing to meet identified local needs
 - (b) Improve the sustainability of housing
 - (c) Improve conditions in the private sector
 - (d) Invest in the regeneration of key locations
 - (e) Provide good quality advice to prevent crisis and ensure access to appropriate housing
 - (f) Provide effective support and opportunities for vulnerable groups
10. This Monitoring Report describes the first three years' progress on implementing the Action Plan with reference to the six Objectives and the identified Milestones.
11. As the pie chart shows good progress has been made, overall, to reach all the milestones within the five year Strategy. After three years, 55% of the milestones have been met and a further 27% are on target. Only 6 milestones (7%) are behind schedule, while 10 milestones (11%) have been deleted as no longer appropriate. A schedule of the deleted Actions is attached to the end of this Report. No new Priority Actions have been added to the refreshed Action Plan.



Is Objective 1 - Increase the supply of housing to meet the needs - being achieved?

12. Last year saw a substantial increase in the number of net additional dwellings (completions minus demolitions) up from 190 in 2013/14 to 479 in 2014/15. However, the completions last year were boosted by the ending of the Affordable

Housing Programme 2011-15 which required all dwellings funded under this Programme to be completed by 31 March 2015. As a result there was a surge in affordable housing completions in the final quarter of 2014/15 financial year. Over the last two years, there were 669 net additions to the housing stock against a requirement for about 1,000 dwellings. In addition, 29 empty homes were brought back into use and 20 new Gypsy and Traveller Pitches were delivered. Although the supply of housing has increased over the previous two years, it has not increased sufficiently to meet the new objectively assessed housing need published in November 2015. The forecast of housing completions for 2015/16 suggests that there will be another shortfall in this year as well.

13. Since adoption of the Housing Strategy in 2012, the house building industry has failed to meet the housing requirement each year. This is not a problem unique to Darlington. Most of the local authorities in the North East of England are experiencing the same problem. In Darlington, there is ample land suitable and available for residential development, but not enough houses are being built. This is not due to problems in the supply chain but due to not enough households being willing or able to buy new properties. Even the government's Help to Buy Scheme has not had an impact on the number of houses built. In an effort to increase the number of completions, we are hosting a housing stakeholder event in January 2016 with private house builders, landowners and housing associations. One of the workshops will consider barriers to housing delivery and another workshop will consider strategic infrastructure requirements.
14. The substantial increase in the housing requirement has resulted in the withdrawal of the sites allocations document, Making and Growing Places, and a decision to prepare a new local plan. The Government's strategy to increase the supply of housing is to press Local Planning Authorities to complete Local Plans as quickly as possible and to allocate sites that are deliverable in the most sustainable locations. Members will note the subtle change of emphasis from the previous focus on most sustainable sites that were characterised in the Core Strategy. Officers are reviewing how the Council might proceed to produce a new Local Plan as quickly as possible in the context of the current and emerging regulations. Officers are likely to report on this in the Spring of 2016.
15. Looking to the future, HCA Affordable Housing Programme funding has been secured by registered providers to deliver a further 323 new affordable homes by March 2018. If delivered, this will make a significant contribution to the 485 affordable homes needed over the next three years. However, after 2018 the Government will focus spending on Starter Homes (which will be included in the definition of Affordable Housing) at the expense of social and affordable rented housing. Starter Homes are houses offered for sale at a 20% discount and are restricted to first-time buyers under the age of 40. After five years they can be sold at the market rate.
16. Recent reductions to tax allowances for private landlords announced in the 2015 budget will mean that some landlords will have to pay higher levels of taxation. It is not clear what impact this will have on the private rented sector but it could stall the growth of the sector or result in some landlords leaving the sector. This could impact on the availability of accommodation in the private rented sector if there is a contraction in the market. The private rented sector in Darlington is estimated to be approximately 18-19%.

Is Objective 2 - Improve the sustainability of housing – being achieved?

17. The Housing Improvement Programme was completed last year which delivered essential home improvements to the Council's housing stock. These improvements, which are above the Decent Homes Standard, will prolong the life of the dwellings and make them more energy efficient.
18. A further £3.53m has been allocated to Energy Efficiency measures within the five year investment plan for the replacement of PVCu windows and the installation of composite doors to properties identified as the hardest to treat in relation to other basic retro fit measures. Supplementary investment was identified working with Warm Up North to leverage additional grant funding to complete a wider range of energy efficiency improvements including; the provision of external cladding, double glazing and composite doors to 39 System Built properties.
19. An application for grant funding was made by Darlington along with the other eight Warm up North local authority members. The bid, via the Department of Energy and Climate Change, to install central heating in properties across the region was successful and we were awarded the full £6.5 million that was applied for (25% of the national funding available). With complementary funding, the total investment across the region should be in excess of £10 million and aims to deliver 1900 – 2000 new central heating systems.
20. The vast majority of targets have either been reached or are on schedule. Therefore, Objective 2 is being achieved.

Is Objective 3 - Improve the conditions in the private housing sector – being achieved?

21. Reducing category 1 hazards makes homes safer, reduces NHS costs and promotes longer and more sustainable tenancies. Since 2012, 309 category 1 hazards have been removed. However, to achieve MTFP budget savings only licensed houses in multiple occupation (HMOs) inspections will take place from 2014/15 onwards. Since 2012, 292 Category 2 hazards have been removed; 354 homes have been returned to decency and 832 homes have been made free from health and safety hazards.
22. Looking to the future, proposed changes to the licensing of HMOs could result in a significant increase in the Council's workload. At present, only larger HMOs require a licence from the Council to operate. This process ensures that the health and safety in the properties is up to standard and occupiers are kept safe and living conditions are suitable. There are currently only 23 licenced HMOs in Darlington. The Government is currently consulting on plans to extend HMO licensing to all HMOs irrespective of size, nature and occupation. This would have a large impact in Darlington as there is an estimated 500 HMOs and resources would need to take account of any regulatory changes. Results of the consultation will likely be made available in Spring 2016 and new legislation introduced later in 2016.

23. With all of the milestones either achieved or on target, Objective 3 is being achieved.

Is Objective 4 - Invest in the regeneration of key locations – being achieved?

24. Good progress has been made in three of the four regeneration areas (Central Park, Cockerton, Red Hall and Town Centre Fringe). At Central Park, over 50 dwellings have been completed; the Business Growth Hub, a Grade A BREEAM Excellent serviced office facility offering 60 units over 2,250sqm, is open and approximately 25 businesses are operating. At Cockerton, the residential redevelopment has been completed as have the environmental improvements. The redevelopment of the Nickstream shops is the only action to be delivered. At Red Hall, residents have been asked about their views on a draft Masterplan and a Neighbourhood Renewal Strategy has been published. The Council's own development of 20 new dwellings is under construction and HCA Affordable Housing Programme funding has been secured for a further 20 dwellings. In the Town Centre Fringe, good progress has been made on the Feethams cinema, hotel and restaurants site and negotiations are ongoing with National Gas Networks to demolish the gas holder and redevelop for housing. However, individual housing sites have not been identified in the Making and Growing Places Development Plan Document which has been withdrawn. In November 2015, Cabinet decided to withdraw the DPD and begin work on a new Local Plan.
25. With 15 milestones either completed or on target and only four targets behind schedule, Objective 4 is being achieved.

Is Objective 5 - Provide good quality and timely advice to prevent crisis, increase choice and enable access – being achieved?

26. All the milestones have been achieved which means that we are providing good quality and timely advice. Therefore, we have achieved, and continue to achieve, Objective 5.

Are we achieving Objective 6 - Provide effective support and opportunities for vulnerable groups?

27. A Review of Sheltered Housing has been completed. A Supported Housing Strategy has been produced and will be reviewed in September 2016. An Extra Care Housing Strategy has been produced and a review of Extra Care has been completed. A Preventing Homelessness Strategy has been adopted.
28. The vast majority of milestones have been achieved which means effective support and opportunities for vulnerable groups is being provided. Therefore, Objective 6 is being achieved.

Conclusions

29. Overall, good progress has been made in the first three years of implementing the Housing Strategy. Of course, more still needs to be done. However, with 55% of milestones achieved in the first three years of a five year Strategy and a further 27% on schedule, the Strategy is on course to meeting the six Objectives. In fact,

Objective 5: “To provide good quality and timely advice to prevent crisis, increase choice and enable access” has been achieved and continues to be achieved.

30. There are three areas where we are falling short. The first is in the provision of housing to meet local needs. While we had a good year in 2014/15, we need to do all we can to increase the number of completions. Unfortunately, the forecast number of completions this year (2015/16) is likely to be well short of requirements and meeting the new housing requirements in the future is going to be very challenging. In an effort to increase the number of completions, we are hosting a housing stakeholder event in January 2016 with private house builders, landowners and housing associations.
31. The second area where we are falling short is in the Town Centre Fringe. While good progress has been made on the Feethams cinema, hotel and restaurants site and negotiations are ongoing with National Gas Networks to demolish the gas holder and redevelop for housing, little progress has been made on other potential development sites.
32. The third is the failure to deliver the Making and Growing Places DPD to provide a statutory planning document to guide the housing strategy. In November 2015, Cabinet decided to withdraw the DPD and begin work on a new Local Plan. Officers are reviewing how the Council might proceed to produce a new Local Plan as quickly as possible in the context of the current and emerging regulations. Officers are likely to report on this in the Spring of 2016.

DELETED HOUSING STRATEGY ACTIONS		
Housing Strategy Action	Objective 2 – Improve the sustainability of housing	
	Action 7 – Work in partnership to deliver energy efficiency measures as part of the Green Deal from 2013	
	Milestone	Comment
2.7.1	Stock condition data analysed to inform targeting of Programme	This action has been superseded by the Warm Up North Programme.
2.7.2	Phase 1 of Programme started	This action has been superseded by the Warm Up North Programme.
2.7.3	Phase 2 of Programme started	This action has been superseded by the Warm Up North Programme.
Housing Strategy Action	Objective 2 – Improve the sustainability of housing	
	Action 8 - Ensure new housing meets sustainable building standards as set out in the Local Plan to be resilient to climate change	
	Milestone	Comment
2.8.1	Implement Renewable Energy Policy in Making and Growing Places DPD	With the introduction of the new Building Regulations, in October 2015, this Action is no longer necessary.
Housing Strategy Action	Objective 3 – Improve the conditions in the private housing sector	
	Action 12 – Increase the number of houses in multiple occupation which are free from Category 1 Hazards	
	Milestone	Comment
3.12.4	Landlords of unsafe HMOs will be cautioned and prosecuted, if necessary	This Action is a duplicate
Housing Strategy Action	Objective 3 – Improve the conditions in the private housing sector	
	Action 13 – Reduce the number of non-decent homes	
	Milestone	Comment
3.13.2	Continue the reactive and proactive inspections of properties reducing High Scoring Category 2 Hazards.	Following a savings and service review, high scoring category 2 hazards are no longer regulated.
3.13.6	Completion of the review of the Bond Scheme to deliver home improvement loans.	The Bond Scheme was not practical and was rejected by member local authorities
Housing Strategy Action	Objective 6 - Provide effective support and opportunities for vulnerable groups	
	Action 24 – Older People's Housing Position Statement	
	Milestone	Comment
6.24.1	Develop background information and assemble statement.	Overtaken by Darlington Strategic Housing Market Assessment 2015.
6.24.2	Consult on statement	Overtaken by Darlington Strategic Housing Market Assessment 2015.
6.24.3	Publish the statement	Overtaken by Darlington Strategic Housing Market Assessment 2015.