

Sustainable Growth Scrutiny Committee – 13 October 2011

DRAFT PETERBOROUGH HOUSING STRATEGY 2011-15 (INCORPORATING THE PETERBOROUGH STRATEGIC TENANCY POLICY)

The report presented the Draft Peterborough Housing Strategy 2011-15 and incorporated the Peterborough Strategic Tenancy Policy.

The Housing Strategy was the overarching housing-related strategy in Peterborough and was a statutory requirement. The Strategy defined the key objectives for the housing agenda between 2011-15 and the priorities for action. It set out the role that the housing agenda would play in helping the Council and its partners to meet its key strategic objectives. The Strategy had been produced in collaboration with a wide range of partners.

The Strategy had four objectives, which were:

- To support the delivery of substantial yet sustainable Growth
- To secure the regeneration and improvements to Peterborough's housing stock
- To meet existing and future housing needs
- To create mixed and sustainable communities

To Support the delivery of substantial yet sustainable Growth

The emerging proposals for this objective were to:

- Retain the Council's housing growth targets
- Adopt the Community Infrastructure Levy by 2012/13
- Encourage development and protect against loss of prestige homes
- Encourage growth of purpose built student accommodation
- Utilise council land to support growth
- Introduce the Local Authority Mortgage Scheme
- Support the accommodation requirements of the City Hospital

To secure the regeneration and improvements to Peterborough's housing stock

The emerging proposals for this objective were to:

- Remove all category one hazards from 350 private sector dwellings per annum
- Improve the thermal efficiency of 100 private dwellings per annum
- Bring 80 long term empty properties back into use per annum
- Produce a 'Green Deal' implementation strategy
- Introduce measures to encourage homeowners to improve the energy efficiency of their properties

To meet existing and future housing needs

The emerging proposals for this objective were to:

- Actively support the 'affordable rent' delivery model
- Review existing Section 106 agreements to facilitate new affordable homes
- Take a flexible approach to achieving the affordable housing tenure split as set out in the Core Strategy
- Adopt and publish a strategic tenancy policy
- Publish a new Homelessness Strategy

To create mixed and sustainable communities

The emerging proposals for this objective were to:

- Explore the feasibility of introducing a mechanism through the planning system that will help to manage the number and density of new Houses in Multiple Occupation in particular neighbourhoods
- Support community-led housing solutions
- Conduct a refresh of the current housing allocations policy
- Ensure that community sustainability is a key consideration at the master planning stage of new housing development

The Strategic Tenancy Policy was being developed as part of the Government's housing reforms in which Registered Social Landlords (RSLs) had been granted a range of additional flexibilities including:

- Being able to offer fixed term tenancies as well as lifetime tenancies
- Determining the length of tenancy offered to each tenant on an individual basis
- Devising criteria that would determine whether to renew a tenancy at the end of a fixed term
- Building new homes and converting existing stock on re-let to the new 'affordable rent' tenure

Whilst RSLs would be expected to set out their own policies on the new flexibilities, the Government was keen to ensure that local authorities retained a degree of strategic influence. The Strategic Tenancy Policy set out the broad objectives to be taken into consideration when RSLs were devising their policies but RSLs would be expected to give due regard to an authority's Strategic Tenancy Policy.

The Policy had four themes, which were:

- Ensuring Affordability
- Tenancy Flexibilities
- Appropriate Move-on
- Protecting Tenant Mobility

Ensuring Affordability

The key statement for this theme was that the Council wanted to ensure that rents remained affordable.

The Policy advocated:

- Rents charged for 'affordable rent' properties should not exceed the Local Housing Allowance (LHA). This would prevent excessive rents in high value areas.

Tenancy Flexibilities

The key statement for this theme was that flexibilities should be applied in a manner that did not undermine social investment in communities and provided stability to the most vulnerable tenants.

The Policy advocated:

- Fixed term tenancies should normally be for a minimum of five years
- Two year tenancies should only be used in exceptional circumstances
- Longer tenancies may be appropriate for those with long-term, but not life-long, support needs
- Lifetime tenancies should be retained for those with life-long needs
- Housing provided should seek to renew a tenancy at the end of a fixed term.

Appropriate Move-on

The key statement for this theme was that tenancy flexibilities should not be applied in a manner that increased homelessness.

The Policy advocated:

- RSLs providing advice and assistance to tenants whose tenancies they had decided not to renew
- That when not renewing a tenancy, RSLs liaised with the tenant at the earliest opportunity to make them aware of their intentions

Protecting Tenant Mobility

The key statement for this theme was that the Council wanted to ensure that the reforms did not restrict the mobility of existing tenants in the social rented sector.

The Policy advocated:

- Social rented tenants should be allowed to retain their existing security of tenure if they chose to transfer
- RSLs taking a responsible view when determining the type, size and location of the stock that they converted to the affordable rent tenure
- Housing providers were mindful of the impact of the conversions upon the tenure profile and overall sustainability of the communities in which they operate

The draft Strategy would be considered by Cabinet in November 2011 and would then undergo four weeks of consultation. The final Strategy would be considered again by Cabinet in February 2012.

Comments and observations were made around the following areas:

- The draft Strategy needed to be proof read fully before it was considered by the Cabinet.
- Policy HS34 makes reference to ensuring effective integration of affordable housing provision in developments through a ‘pepper potting approach’. What was meant by ‘pepper potting’? *It was about taking the wider needs of an area into account and avoiding a whole area being identified as an affordable housing site.*
- What was the validity of Policy HS34 being in the document? The Council’s policy was to look for a step up in the quality of developments and in some developments clusters of housing association homes could depress the quality, prestige and price of a development. *The Affordable Housing Strategy was set by the Core Strategy and not the Housing Strategy. The Policy was about avoiding an over concentration of certain tenures by trying to create mixed communities. It was about getting the right balance however in some areas it might not be appropriate to include affordable housing.*
- What evidence was there that ‘Pepper Potting’ worked? *Work had been undertaken around studies of large developments and the tensions within those communities.*
- The interpretation of ‘Pepper Potting’ needed to be clarified within the document. *It was suggested that the wording of the paragraph before the policy and the policy could be amended to read:*

Furthermore, to promote social cohesion Council encourages an integrated approach to affordable housing provision on new development rather than social segregation. This involves the Council working with developers and housing association partners to create a mix of affordable housing dwellings and private dwellings throughout the development in an attempt to minimise social exclusion and encourage mixed communities.

Policy HS34

In its role as housing enabler, the Council will work with developers and housing associations to ensure affordable housing provision is effectively integrated into new development.

- How would the Strategy be affected by uncontrollable issues such as Government changes in policy, for example rent restrictions? *The Strategy did make reference to the changes in the benefit system and that was also referred to in the draft Strategic Tenancy Policy.*

- The Strategy made reference to only supporting residential development proposals which made a clear contribution to our Home of Environment Capital aspirations; however it was vague on the importance of open space. *Open space was dealt with through the Planning Policies and not the Housing Strategy. A report on the draft Planning Policies would be considered later on the agenda.*
- Were we achieving the current 30% requirement for affordable housing in developments? *We were currently in a position where we were delivering more affordable housing but that was because of the current market position. 30% was a starting point but issues around viability needed to be considered. In the future we may be in a different position but flexibility was needed in the Policy.*
- The Strategy says that the Council would make land available to deliver housing growth, what land would be made available and would this lead to the loss of open space and allotment land? *Planning policies already protected open space from development. If we were to allow development on allotments we would be required to obtain approval from the Secretary of State and prove that the allotments were not required.*
- A number of Motions around Green Deal and renewable energy had been approved by Council, why were they not mentioned in the Strategy? *This was an area of planning policy and a Supplementary Planning Document would be coming forward around this issue. We could however signpost in the Housing Strategy to the forthcoming Planning Document.*
- Is the government land which is to the West of Castor included within the document? *That area of land is the government's however they had indicated that they would sell of surplus land. Allocation of the land for housing would be dealt with through the Local Development Framework and not this Strategy.*
- Should the Housing Strategy and Strategic Tenancy Policy be two separate documents? *They were two distinct policies but at the moment the Strategic Tenancy Policy was an appendix to the Housing Strategy.*
- Does the Strategic Tenancy Policy enable landlords to move towards fixed term tenancies and flexibility of rents? *Affordable rent would only be able to be applied if the RSL received funding from the HCA, in Peterborough this would only apply to Cross Keys Homes. Cross Keys were still developing their own policy and wanted to make it work.*
- The Policy did not include criteria for assessing people made involuntary homeless. When a tenant received a notice to quit the Council should get involved at an early stage. A statement should be included on how the Council would deal with these cases. *Homelessness was not dealt with within this Policy as it was already dealt with through Statute and case law. A revised Homelessness Strategy would be coming to scrutiny in the near future and that was the appropriate document to deal with homelessness issues. The Allocations Policy also determined the priority for housing.*
- The policies were lined as it was a balancing of the rights of private landlords and the speed at which action would be taken to re-house tenants. *The Strategic Tenancy Policy related to the housing reforms and was the link between the Council's needs and the RSLs. The Homelessness Strategy covered the process leading up to someone being made homeless and not just dealing with them when they were homeless.*

RECOMMENDATIONS

- (i) That Cabinet be recommended that the final paragraph of the section 'Ensuring a varied housing offer that supports mixed communities' and Policy HS34 be amended as follows:

Furthermore, to promote social cohesion Council encourages an integrated approach to affordable housing provision on new development rather than social segregation. This

involves the Council working with developers and housing association partners to create a mix of affordable housing dwellings and private dwellings throughout the development in an attempt to minimise social exclusion and encourage mixed communities.

Policy HS34

In its role as housing enabler, the Council will work with developers and housing associations to ensure affordable housing provision is effectively integrated into new development.

- (ii) That the Peterborough Strategic Tenancy Policy be recommended to the Cabinet.

ACTION AGREED

That officers ensure that the draft document be fully proof read and corrected before being presented to Cabinet.

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