

<b>CABINET</b>	<b>AGENDA ITEM No. 8</b>
<b>23 SEPTEMBER 2019</b>	<b>PUBLIC REPORT</b>

Report of:	Peter Carpenter, Acting Corporate Director of resources	
Cabinet Member(s) responsible:	Cllr Steve Allen, Cabinet Member for Housing, Culture and Recreation	
Contact Officer(s):	Peter Carpenter, Acting Corporate Director of Resources	Tel. 863968

## **PETERBOROUGH HOUSING STRATEGY**

R E C O M M E N D A T I O N S	
<b>FROM:</b> Acting Corporate Director for Resources	<b>Deadline date:</b> 26/08/2019
<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> <li>1. Notes that the Cabinet Member for Housing, Culture and Recreation has commissioned an updated Housing Strategy for Peterborough.</li> <li>2. Approves, if required as part of the Housing Strategy work being undertaken, for the Council, in consultation with partners, to go through the Government application process in order to be able to set up a Housing Revenue Account (HRA) as a potential option in order to help reduce temporary accommodation and associated costs.</li> </ol>	

### **1. ORIGIN OF REPORT**

- 1.1 This report is submitted to the Cabinet following a request from Cllr Peter Hiller, at that time, Cabinet Member for Growth, Planning, Housing and Economic Development & Environment Capital. Given the present pressures around homelessness, the increasing numbers and costs that are undermining the finances of the council, it is important that the Council, in liaison with its housing partners produces a updated Housing Strategy which addresses the wider needs of the Community. Given recent changes in Government legislation this might include the reformation of an HRA and as such this report asks for approval for the Council to reapply to have an HRA if this is the direction of the new Housing Strategy.

### **2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to highlight to Members that a new Housing Strategy is being produced and as part of that process if an HRA is highlighted as a viable option then there is approval for the Council to go through the application process to reform its HRA. Local authorities do not need permission to be granted from the Secretary of State to open an HRA, but the MCHLG (Ministry of Housing, Communities and Local Government) requests a letter to the Secretary of State declaring the intention to open an HRA.<sup>1</sup>
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.1

<sup>1</sup> MHCLG HRA Guidance 14/3/2019. How to open an HRA.

*'To take collective responsibility for the delivery of all strategic Executive functions within the Council's Major Policy and Budget Framework and lead the Council's overall improvement programmes to deliver excellent services.'*

### 3. **TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	<b>YES</b>	If yes, date for Cabinet meeting	<b>TBC</b>
Date for relevant Council meeting	<b>TBC</b>	Date for submission to Government Dept. (Please specify which Government Dept.)	

### 4. **BACKGROUND AND KEY ISSUES**

#### **Background**

#### Homelessness Issue and Government Initiatives

- 4.1 PCC has a housing problem and an attendant homelessness issue that reflects the national crisis in this area.
- 4.2 There has been a movement in recent years for PCC to acquire accommodation to help to relieve the Temporary Accommodation (TA) problem. There are plans to continue in this direction and when PCC passes the point of owning 200 or more social housing units, it will have to set up an HRA. Given that there has been a series of ad hoc moves in this direction, it would make sense to plan a more structured intervention into the housing market to meet corporate priorities over the long term.
- 4.3 As such the Council will now, in liaison with Partners, work to produce a new Housing Strategy which addresses the revised needs of Peterborough including the TA and Affordable Home availability issues presently being experienced.
- 4.4 There is a strong push from central government to encourage house building across all sectors and there has been a range of initiatives aimed at assisting and encouraging local authorities to play a major role in this. This includes a number of factors which makes it far more attractive for Councils to re-constitute HRA's than in the past including:
- Removing the borrowing cap for HRAs wishing to fund new home building, (local authorities are still required to follow the prudential borrowing rules);
  - Making funds available to local authorities to borrow at discounted rates through the Public Works Loan Board (PWLb).
- 4.5 The wider Housing Strategy paper will include all pertinent issues and include input from partners that affect the wider Peterborough Housing system as well as suggesting of different and innovative models of delivery.

### 5 **CONSULTATION**

- 5.1 There is the requirement to consult with the wider "housing" community in the preparation of the Housing Strategy paper.

### 6. **ANTICIPATED OUTCOMES OR IMPACT**

- 6.1 The council will have a Housing Strategy that sets out its housing direction and the approval, if required, to reconstitute an HRA as part of this strategy.

### 7. **REASONS FOR THE RECOMMENDATION**

- 7.1 There is the requirement for a revised Housing Strategy for Peterborough to ensure stakeholder requirements are being met
- 7.2 As part of the Housing Strategy work being undertaken give approval, when required and in consultation with Partners, for the Council to go through the Government application process in order to be able to set up a Housing Revenue Account (HRA) as a potential option.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 The Housing Strategy will set out the options and preferred route forward for the Council.

## **9. IMPLICATIONS**

### **Financial Implications**

- 9.1 The Housing Strategy Paper will set out the Housing direction for the Local Authority. The content of this paper will inform the future costs of the Council and where they may fall including if costs are charged to the General Fund or other areas (such as an HRA).

### **Legal Implications**

- 9.2 There are no legal implications in relation to this report.

### **Equalities Implications**

- 9.3 There are no equalities implications in relation to this report.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 10.1 None.

## **11. APPENDICES**

- 11.1 None.

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