

	<h2>Housing Committee</h2> <h3>29 June 2015</h3>
<p style="text-align: right;">Title</p>	<p>Housing Strategy</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director, Growth and Development</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A- Final Draft Housing Strategy Appendix B- Results of Online Survey Appendix C- Summary of Written Responses Appendix D- Equalities Impacts Assessment</p>
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<h2>Summary</h2>
<p>The Council has developed a new Housing Strategy to take account of major changes in the housing sector and wider demographic and economic changes. The strategy addresses the challenges of a growing population, increased housing demand, and the impact of austerity, growth and regeneration on the borough. Following on from a period of public consultation the Housing Committee is asked to approve a final draft of the Housing Strategy.</p>

<h2>Recommendations</h2>
<p>1. That the Committee approve the final Housing Strategy.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council has developed a new draft Housing Strategy to meet the key current housing challenges in the borough, in particular, to ensure the continued supply of good quality housing to accommodate a rapidly growing and changing population. The strategy contains the following six housing priorities:
- Increasing the housing supply,
 - Delivery of homes that people can afford,
 - Sustaining the quality of the private rented sector,
 - Tackling homelessness,
 - Providing housing related support to vulnerable people,
 - Deliver efficient and effective services to residents.
- 1.2 Following on from a 12 week public consultation period, the Council has made a number of changes to the draft Housing Strategy. The key changes have included:
- The chapter on tackling homelessness has been amended to more clearly explain the Council's strategy for tackling homelessness and reducing the use of temporary accommodation.
 - The Council has modified its proposals for rent setting and has developed a new draft rents policy which is considered in detail in a separate report to this committee. In summary the revised proposals are to make use of affordable rents for new tenants and for newly built council homes, but not to apply these to existing tenancies. Under the revised proposal, existing tenants will see their rents raised to the target rent level which is in line with existing national guidance on social rent convergence. The additional income raised by taking this approach will be used to increase the supply of council homes.
 - The chapter on providing housing related support to vulnerable people has been amended to ensure that it includes the most up-to-date information on the key client groups supported by Adult Social Care.
- 1.3 It is recommended that the Housing Committee approves the final draft of the Housing Strategy in Appendix 1.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The draft Housing Strategy has been designed to meet the key current housing challenges in the borough.
- 2.2 Barnet's population continues to grow and according to the latest population projections is expected to be London's most populous borough by the end of 2015. Barnet is an attractive and popular borough; with some of the best schools in the country, acres of green open space, and strong transport links. This is why people want to live in Barnet. Whilst this is something to be proud of, it also creates a significant housing challenge for the borough.
- 2.3 Barnet is expected to grow by a further 22% over the next 30 years. This is the equivalent to a town the size of Guildford. Within that, the number of

children and older people will increase significantly. This means that, not only does Barnet need more housing; the type of housing required is also changing to reflect the borough's evolving demographic profile.

- 2.4 Barnet is an expensive place in which to live, both in terms of buying a home and renting a home. This means that the number of households who require help with their housing has increased.
- 2.5 There has been a shift in tenure in Barnet. Home ownership has fallen whilst private renting has increased as more people have found it difficult to buy their own home due to higher prices and reduced availability of mortgages. Rents are also rising and are increasingly beyond the reach of low income households which means that some people will need to consider living in more affordable areas outside of the borough.
- 2.6 The Council has had to make significant reductions in its expenditure, and is determined to provide services in a more cost effective way to maintain quality and improve customer satisfaction. The reform of council housing finance provides an opportunity to invest in housing in a way that reduces some of those costs. The Council has already started to build new council homes and will continue to do this over the coming years.
- 2.7 Whilst Barnet is a relatively wealthy place, more than 20,000 households have been affected by the Government's welfare reforms which are designed to help people back into work. The Council has worked in partnership with Barnet Homes and Job Centre Plus to assist households affected by the overall benefit cap move into more affordable accommodation and/or enter employment.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The Council could decide to not develop a new housing strategy but this would mean that important decisions on housing investment would not be based on a robust and up-to-date evidence base. It may also be difficult to secure external funding for regeneration schemes if the borough's housing strategy does not reflect the London Mayor's housing objectives described in the new draft London Housing Strategy.

4. POST DECISION IMPLEMENTATION

- 4.1 A number of activities will be actioned following approval of the Draft Housing Strategy. These include implementing a new 10 year management agreement for Barnet Homes to manage the Council's housing stock and consulting on a new council rents policy and an Affordable Housing Supplementary Planning Document that will sit alongside the Housing Strategy.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Housing Strategy contributes to the strategic objectives In the Council's Corporate Plan 2015 to 2020 in the following ways:

"The Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- *"Of opportunity, where people can further their quality of life"-* by delivering on the Council's ambitious regeneration programme, creating 30,000 jobs and 20,000 new homes as well as improvements to infrastructure including new schools, health facilities and transport;
- *"Where people are helped to help themselves, recognising that prevention is better than cure"* – by enabling vulnerable people to live independently through floating support and supported living arrangements; our strategy for tackling homelessness focuses on prevention and helping people to help themselves, for example by securing their own accommodation in the private rented sector with support from the Council.
- *"Where responsibility is shared, fairly"* – by helping households affected by welfare benefit reforms to find more affordable accommodation and access to employment opportunities; the Council's rent proposals also seek to increase the contribution that council rents make towards funding the cost of much needed new affordable homes
- *"Where services are delivered efficiently to get value for money for the taxpayer"* – by developing a new management agreement with Barnet Homes to provide more effective housing services for the Council and delivering more effective environmental health services through Regional Enterprise Ltd.

5.1.2 The spatial expression of the Housing Strategy is provided by the Council's Local Plan. A revised draft Affordable Housing Supplementary Planning Document (SPD) has been produced. This will set out the Council's approach to securing affordable housing through mechanisms including Section 106 and Community Infrastructure Levy. The draft SPD will be considered by the Policy and Resources Committee in July 2015 and be subject to public consultation.

5.1.3 The Mayor's statutory London Housing Strategy was approved by the Secretary of State in October 2014. This aims to put in place the resources to deliver more than 42,000 homes a year across the Capital. The Mayor also aims to increase opportunities for home ownership, improve the private rented sector and ensure working Londoners have priority for affordable homes to rent. The Greater London Authority is currently working with boroughs to develop Framework Agreements on how new affordable housing will be delivered. Barnet's strategy will have to be in "general conformity" with the London Housing Strategy.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 Council housing is funded by the Housing Revenue Account which is a self-financing ring fenced account.

The Housing Strategy recognises the borough's need for 27,000 additional new homes including affordable housing. The strategy commits to building an additional 500 new affordable homes on council land.

The Housing Strategy also reviews rents currently paid by council tenants and proposes a variety of changes to increase rents up to 65% of the average private rental sector levels. The additional income generated from the rent increase will be used to fund the new homes.

- 5.2.2 The Council is now working on a development pipeline to ensure additional housing is built to suit the borough's needs.

- 5.2.3 the Council is working with the regulatory services to ensure that empty properties are identified to bring them back into use again. This is being managed by the Joint Venture organisation Re and is completed within the cost of the management fee.

- 5.2.4 There has been an increase in the number of people presenting as homeless with the borough and this has caused a financial pressure. However, there are a number of mitigating actions to manage demand. Any budgetary pressures will be managed within the Council's existing resources.

- 5.2.5 The introduction of the Overall Benefit Cap (as part of the Government's reform of welfare) from August 2013 means that some households will not be able to afford the rents charged in Barnet and other parts of London for temporary accommodation and private rented sector homes even where these fall within local housing allowance levels. The Council has been working with Job Centre Plus and Barnet Homes in the Welfare Reform Taskforce to assist households affected by the cap, either by entering employment or securing more affordable accommodation elsewhere.

5.3 Legal and Constitutional References

- 5.3.1 The Local Government Act 2003 makes provision for a local housing authority to have a housing strategy. The Greater London Authority Act 1999, as amended, requires that any local housing strategy is in general conformity with the London Housing Strategy. The term local housing strategy includes any other statement of the local housing authority's policies or proposals relating to housing.

- 5.3.2 Annex A to the Responsibility for Functions Section of the Council's Constitution gives the Housing Committee specific responsibility in relation to the Housing Strategy (incorporating the Homelessness Strategy).

5.4 Risk Management

- 5.4.1 The existing strategy was last updated fully in 2010 and since then there has been a change in government and a number of key housing reforms. There is a risk that it does not take account of changes that have occurred in the wider housing market that has emerged since then and therefore is no longer considered to be fit for purpose and underpin other strategic housing decisions.
- 5.4.2 There is a risk that the existing strategy will not be in “general conformity” with the London Mayor’s Housing strategy, which could lead to loss of support from the Mayor in respect of delivering the capital’s housing objectives. This could lead to potential difficulties in obtaining funding for the borough’s housing plans.
- 5.4.3 The revised rent setting proposals set out in the draft rents policy will be subject to further consultation before final authority is sought from the Housing Committee in October 2015 to implement it.

5.5 Equalities and Diversity

- 5.5.1 Pursuant to section 149 of the Equality Act 2010 (“the Act”), The Council has a duty to have ‘due regard’ to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act, advancing equality of opportunity between persons with a protected characteristic and those without, and foster good relations between persons with protected characteristics and those without.
- 5.2.2 The protected characteristics are age, race, disability, gender reassignment, pregnancy and maternity, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnership but to a limited extent.
- 5.2.3 A full Equalities Impact Assessment has been completed and identified that the Draft Housing Strategy will have an overall positive impact on all sections of Barnet’s community:
- Action to prevent homelessness and assist households affected by the Overall Benefits Cap will assist households who are generally more diverse and deprived than the population as a whole. They are more likely to be younger, from a diverse range of backgrounds, and single families with children.
 - Much of the new housing, including the affordable housing to be delivered, will be in the West of the borough on the regeneration estates where the most deprived and BAME communities are overrepresented in comparison to other areas of the borough.
 - Specialist housing will be provided for vulnerable people, for example older people and other adults with long-term conditions to ensure that there is a choice of tenure and support and an ability to plan ahead for the future to avoid expensive care costs where possible.
 - The associated infrastructure improvements on the regeneration estates, including new schools, health and transport facilities, as well as employment opportunities will improve the quality of life for the

existing local population, including the secure tenants who will be rehoused on the estate, as well as the new residents who will move into affordable and market housing.

- New family sized council homes are being built on infill sites by Barnet Homes to increase the supply of housing that is available to housing applicants in housing need. This group is likely to be more ethnically diverse than the existing Barnet Homes tenants and younger and the commitment to new family sized accommodation reflects the needs of cultural groups.
- New housing will be built to the Lifetime Homes standard and 5% of new homes will be fully wheelchair accessible.
- Improvement programmes will identify homes in need of adaptation for disabled households through the implementation of Disability Facility Grants.
- Improving the quality of private rented housing will help to meet the housing requirements of many groups of people, especially younger people and those that do not want to buy their own home.
- Outreach Barnet will provide dedicated floating support to vulnerable people who are placed in the private rented sector. These may include young people and people with mental health conditions.

5.5.4 In addition to the above, a full Equalities Impact Assessment has been carried out on the draft rents policy and will be updated following the outcome of the consultation. (See separate report on draft rents policy for further information)

5.6 Consultation and Engagement

5.6.1 A 12 week public consultation was undertaken between 6 January 2015 and 31 March 2015. The consultation included an online survey as well as presentations to the Housing Forum, Barnet Homes Performance and Advisory Group, and Barnet Landlords Forum.

5.6.2 In total 93 people responded to the online survey. The results indicate that there is general support for all the overall priorities that were set out in the draft Housing Strategy. The results are summarised in the table below.

Priorities	Agree	Disagree	Neutral	Don't know
Increase housing supply	73.11%	15.06%	5.38%	6.45 %
Deliver more homes that people can afford	70.00%	17.78%	6.67%	5.56%
Sustain the quality of the private rented sector	73.33%	15.56%	6.67%	4.44%
Tackle homelessness	69.32%	15.91%	9.09%	5.68%
Deliver housing to support vulnerable people	80.24%	5.82%	9.30%	4.65%
Deliver efficient and effective services to residents	76.82%	10.98%	8.54%	3.66%

5.6.3 Barnet Homes Performance and Advisory Group (PAG) was supportive of aspects of the draft Housing Strategy, particularly the proposals around

sustaining quality in the private rented sector through increased landlord accreditation. PAG members raised concerns about the level of affordable housing being re-provided on the regeneration estates and the potential impact on homelessness of the proposal to charge higher rents. Barnet Housing Forum includes a number of housing association and support agency partners. The Forum was generally supportive of the draft Housing Strategy. A presentation was also given to the Barnet Landlords Forum which was also generally supportive.

5.6.4 The Council also facilitated a focus group of eight Citizens Panel members from the owner-occupation, social and private rented sectors. The key theme that emerged from the discussion was around the need for more affordable housing in the borough.

5.6.5 Appendix 3 summaries the written comments that were received as part of the consultation and the Council's response to them.

6. BACKGROUND PAPERS

6.1 Relevant previous decisions are indicated in the table below.

Item	Decision	Link
Cabinet 12 March 2010	Decision item 8 - approved the existing Housing Strategy	http://barnet.moderngov.co.uk/Data/Cabinet/201004121900/Agenda/Document%207.pdf
Cabinet 14 September 2011	Decision item 8 - approved Barnet's approach to social housing reform	http://barnet.moderngov.co.uk/Data/Cabinet/201109141900/Agenda/Document%204.pdf
Cabinet Resources Committee 24 June 2013	Decision Item 6 - Local Authority New Housing Programme	http://barnet.moderngov.co.uk/documents/s9244/CRC%20LA%20New%20Build%20public.pdf
Assets, Regeneration & Growth Committee 9 July 2014	Decision Item 11 - Strategic Asset Management Plan principles for consultation	http://barnet.moderngov.co.uk/documents/s16064/Strategic%20Asset%20Management%20Plan%20principles%20for%20consultation.pdf
Policy and Resources Committee 21 July 2014	Decision Item 10 - Funding for an Extra Care Housing Scheme at Moreton Close, NW7 and Advance Acquisitions of Leasehold properties on Regeneration Estates	http://barnet.moderngov.co.uk/documents/s16154/Funding%20for%20an%20Extra%20Care%20Housing%20Scheme%20at%20Moreton%20Close%20NW7%20and%20Advance%20Acquisitions%20of%20Leasehold.pdf
Assets, Regeneration & Growth Committee 8 September 2014	Decision Item 12 - Barnet Development Pipeline	http://barnet.moderngov.co.uk/documents/s17356/Development%20Pipeline%20-%20Report.pdf
Housing Committee,	Decision Item 9-	http://barnet.moderngov.co.uk/ieList

27 October 2014	Housing Strategy	Documents.aspx?CId=699&MId=7936&Ver=4
Housing Committee. 27 April 2013	Decision item 10- Summary of Feedback Following Consultation on Draft Housing Strategy	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=699&MId=7938&Ver=4

