

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet
AUTHOR/S: Management Team

16th February 2004

HOUSING STRATEGY AND BUSINESS PLAN CONSULTATION DRAFT

Purpose

1. To consider the draft Housing Strategy and Housing Business Plan, and agree that officers may submit them to the Government Office (GO) and others for consultation. (**The Strategy and Business Plan are enclosed as separate documents**).

Effect on Corporate Objectives

2. Throughout the housing strategy, actions and policies that address corporate objectives are highlighted, and links are made between the housing strategy and other strategies, including the corporate strategy and the community strategy. The Action Plan specifically links housing actions to the four corporate objectives.
3. There are housing related policies and actions contained within the housing strategy, which address all of the corporate objectives. The strategy also specifically address the key priorities for 2004/05, by setting out proposals for addressing sustainable new communities, and new affordable housing.

Background

4. Each year, District Housing Authorities have been required to submit a Housing Strategy to government. In recent years, those authorities who own council houses, have also been required to submit a Housing Business Plan. Until last year, all councils were expected to make the submissions by the end of July. The GO then scored the submissions, and HIP allocations were partially determined on the basis of those scores.
5. In 2002, South Cambridgeshire DC submitted a housing strategy and business plan to the GO; these were scored as well below average. The main reasons for the poor score were: lack of up to date information on housing stock condition and housing needs; lack of connections to other corporate and community strategies and priorities; lack of clearly identified focus. These are addressed in the new strategy (see para. 7 below)
6. In 2003, new funding arrangements were introduced for housing, and the link between HIP and housing strategies was removed. Strategies are now to be assessed against nationally determined "Fit for Purpose criteria"; if an authority is awarded "Fit for Purpose" status it will not be required to submit another strategy for three years, but may choose to do so if it decides that a fresh strategy is required (e.g. if it transfers its stock).
7. Officers have now prepared a draft Housing strategy and draft Housing Business Plan which take full account of the "fit for purpose criteria". In particular, sections have been added to

address the links to other corporate and community strategies, and national and local priorities; up to date information on current stock condition and housing needs from recent surveys has been included. A Health check on the Council's strategic function, carried out by Housing Quality Network in 2002, has been used to inform the new strategy, ensuring that previous criticisms have been taken on board wherever possible. Consultants have been engaged to give advice on the draft documents, to ensure the council in implementing best practice in this area.

8. Whilst there is no longer a direct link between the housing strategy assessment, and the allocation of HIP money, the demonstration of a clear strategic vision for housing will continue to be important in attracting scant resources, including through the Approved Development Programme. The vision of the housing strategy will assist officers and partners in focussing on this key priority area.
9. A clear housing strategy which demonstrates the Council's approach to housing in all tenures is essential to a good score against the "Balanced Housing Markets" and "Decent Homes" diagnostics of the Comprehensive Performance Assessment.

Housing Strategy

10. The Housing strategy does not create new policy; it sets out in one place previously agreed policies for housing, with current supporting information relating to housing needs and the housing market in the district.
11. The strategy includes recently agreed commitments:
 - i. A commitment to increase staffing resources dedicated to affordable housing and housing strategy (posts approved by Council in December and Cabinet on January 29th)
 - ii. A commitment to research the accommodation needs of Travellers
12. The only new commitment included in the strategy is a commitment to review the resources – land, under used sites, financial resources – available to support new affordable housing. This will be considered properly alongside the emerging stock options financial appraisal.
13. Other key strategic tasks for the coming year include:
 - i. Completion of the stock options appraisal
 - ii. Completion of the countywide Supporting People review of sheltered and extra sheltered housing. This is likely to lead to an internal review of sheltered accommodation, with options to be considered later in 2004.
 - iii. Progressing work on new affordable housing, especially on strategic sites at Cambridge Northern fringe (West), and Northstowe.
14. This version of the Housing Strategy is almost complete, except for financial information required for the resources chapter, which is not yet available. Some smaller changes – such as editing is required to remove inconsistencies of style, and tidying the Action Plan – will be complete by early February; and as soon as the financial information is supplied the document can be circulated for consultation.

Housing Business Plan

15. The Housing Business Plan uses a government supplied financial model to predict the council's ability to meet the needs of its stock and tenants over a thirty-year period. Whilst new stock condition information is extremely useful in determining future maintenance programmes, the delay in the budget process has made it impossible to complete the financial model, and hence the information on future years is not available.
16. The Business Plan (current draft) sets out key areas for consideration, and aspirations of the housing service. It also highlights the importance of the forthcoming stock options consultation, and the key role tenants will play in that process.
17. Once financial information is supplied, the document will be completed, and it is hoped to have it complete for circulation with the housing strategy in mid February.

Considerations

18. The process for signing off the documents by the government office is as follows:

Proposed submission date (in draft):	February 17 th
Consideration by government office	requires one month
Initial comments by GO	by March 19 th
Comments incorporated and revisions made	by March 26 th
Consideration by CPA inspectors	March 29 th onwards
Consultation with other agencies (Including Housing Partnership)	Feb 17 th – March 31 st
Consideration of revised document by Cabinet	April
Approval of final document by Council	May
Printing of document, and submission to GO	
For official sign-off as fit for purpose	June 2004

19. If the document is not submitted to the GO by mid February we will not receive, and be able to consider, their comments before the CPA inspection. This would be disadvantageous to our inspection.
20. If the documents miss the timescales agreed with the GO, it may be difficult to receive feedback and make changes in time for the next Council meeting. Failure to get the strategy approved by Council, and submitted in final form to the GO by the end of June will miss the government deadline, but is not clear what penalty, if any, would be imposed in this case.

Options

21. The recommended option is for cabinet to approve the drafts, and delegate further drafting/editing to officers. This would allow for submission to the GO within the timetable outlined above. Officers, will of course, be happy to include any revisions proposed.
22. Option 2: Members may require that cabinet consider the full draft, including the resources information, prior to submission to the GO. This will prevent the authority from being able to discuss the strategy coherently at the CPA inspection, and will not add any real value to the strategy itself.

Financial Implications

23. There are no immediate financial implications, as these documents have been prepared, and will be completed, with the budget estimates in consideration. However, the proposals included do have longer-term financial implications:
24. Business Plan: at present, the Business Plan financial model cannot be completed, as the budget estimates have not been approved, and Finance dept resources have been heavily directed towards fulfilling that requirement. However, once the financial information is completed, the Business Plan will demonstrate the financial situation for council housing stock, and the extent to which the council can meet the requirements of Decent Homes, the longer-term maintenance of stock, and tenants aspirations. This financial information will be extremely important in discussing stock options with tenants and others during 2004.
25. Housing Strategy: this draft of the strategy assumes that extra staffing resources are being made available to deliver the affordable housing priority (as approved by Council in December 2002, and Cabinet on 29/01/03). It contains a commitment to review the resources available to the council, which could be used to support new affordable housing development – those resources to include land, under utilised sites, and financial resources – during 2004.

Legal Implications

26. The Council is required by government to submit a housing strategy to the GO before June of this year. It is unclear what sanctions will be brought against councils who do not comply with this requirement.

Staffing Implications

27. There are no staffing implications directly arising from these documents: additional staffing referred to in the housing strategy has already been considered as part of the CIPS/ budget process.

Consultations

28. Individual policies contained within the housing strategy have been consulted on separately. Results of other council consultations, including consultations for the LSP, have been included within the strategy, highlighting the importance given by the public to the issues of affordable housing.
29. A consultation event was held in January, which was very well attended by over fifty people including members, representatives of the Housing partnership (Housing Associations), and tenant representatives. The event was well received and several specific suggestions were made (these are reported in the strategy itself); since the event four letters from Housing Partnership members have been received, making further suggestions and in particularly highlighting the need to find innovative mechanisms for funding new affordable housing.
30. The drafts presented to cabinet now are drafts for further consultation. We expect to receive comments and suggestions from the GO, which would need to be included before the documents could be considered fit for purpose. Comments and suggestions from other consultees may also be included, if appropriate, or reasons will be given if they cannot be

taken on at the present time. Following that consultation, final drafts will be prepared for approval by Council, before submitting the documents for official sign off by the GO.

Conclusions/Summary

31. Draft Housing strategy and Housing Business Plan documents which seek to address the ODPM fit for purpose criteria, and to demonstrate how the Council intends to provide decent Homes and to balance its housing market, are now almost complete. It is extremely important that the missing financial information is made available urgently, and that the documents are submitted to the GO in mid February, to ensure that the Council is in the best position possible prior to the CPA inspection.
32. Key issues for members to address during 2004 will be:
 - i. identification of resources for new affordable housing, through: strong arguments for additional government resources; a review of the Council's own resources; innovative approaches to partnership working
 - ii. completion of a stock options appraisal, and a plan for implementing its conclusions
 - iii. completion of the sheltered housing review; and development of appropriate strategies for housing for older people for the future
 - iv. research into the accommodation and support needs of travellers
 - v. continuing policy development in relation to homelessness (reducing use of B&B) and private sector housing (especially in term so health promotion)

Recommendations

33. That Cabinet:
 - (a) approve these documents as consultation drafts, and agree that they be submitted to the GO and other consultees without further reference to Cabinet
 - (b) That Cabinet delegate authority to complete any missing information, including financial information, and additions to the Action Plan, to the Head of Housing Strategic Services and the Head of Shire Homes, so long as those changes do not constitute new policy.

Background Papers: the following background papers were used in the preparation of this report:
Draft Housing Strategy and Draft Housing Business Plan (both attached)
South Cambridgeshire Housing Strategy 2003
ODPM Fit For Purpose Criteria

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