

Report to	-	Overview and Scrutiny Committee
Date	-	27 November 2017
Report of the	-	Executive Director of Business Operations
Subject	-	Housing Overview

Recommendation: It be **RESOLVED:** That:

- 1) the report be noted;
 - 2) subject to the other related reports on the agenda, that a Housing Issues Task and Finish Group is set up to consider the following subject areas:
 - a. Land supply issues
 - b. Affordable housing delivery
 - c. Homelessness
 - d. Managing the impact of Welfare Reforms; and
 - 3) a Housing Issues Task and Finish Group be established comprising eight Members, to be appointed in accordance with political balance requirements and the Terms of Reference as set out at Appendix 2 to be approved.
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Service Manager: Brenda Mason

Introduction and Background

1. The purpose of this report is to provide Members with an overview of housing in relation to predominantly the supply side, that being:
 - a) Lack of affordable housing to meet local needs
 - b) Lack of 5-year land supply
 - c) Impact of second homes
 - d) Private sector housing conditions
2. Housing matters relating to housing need, financial/welfare reforms and the Homelessness Reduction Bill, (issues relating to demand), will be presented in separate reports; however, naturally there are links, and the impact of these are identified within this report.
3. At the meeting, Members will receive a presentation on findings from the Strategic Housing Research project, which included a Housing Needs Survey and Private Sector Stock Condition Survey. This report also includes a short update on affordable housing delivery over the past year and some of the work being done to increase affordable housing delivery.
4. This report is structured as follows:
 - a) Strategic context – why we need to increase housing supply

- b) Housing Research – what the data is telling us
 - c) Government policy for housing delivery
 - d) What are the challenges in Rother?
 - e) Affordable housing delivery – what has been achieved
 - f) Being proactive to increase housing supply
 - g) Community led housing – a strategy for reducing the impact of second homes
 - h) Private Sector Housing and Fuel Poverty
5. Members are requested to consider the information provided and form a Housing Issues Task and Finish Group to scrutinise more deeply the issues of most concern. The results of the scrutiny will form the basis of recommendations to Cabinet in due course.

Strategic Context – Why we need to Increase Housing Supply

6. There are a number of factors which drive the need for an increase in housing. These include the following:
- a) Increasing population – the projected population in the Rother district is expected to rise by 9,000 between 2011 and 2028. This equates to a 10% increase.
 - b) Increasing life expectancy – during the same period, average life expectancy is expected to increase by five years for men and 3.5 years for women.
 - c) Reducing average household size – households are expected to reduce from 2.15 in 2015 to 2.10 in 2025. The effect of this is more single person households and consequent under use of housing stock.
7. Added to these drivers are particular circumstances which contribute to a lack of affordable housing to meet local needs. These include:
- a) High demand and low supply
 - b) Tenure imbalance – in particular a lack of affordable (shared ownership and social rented) housing (only 10.4% of all housing stock in Rother is social rented housing; compared to 17.6% in England & Wales) (see Chart 1 below).

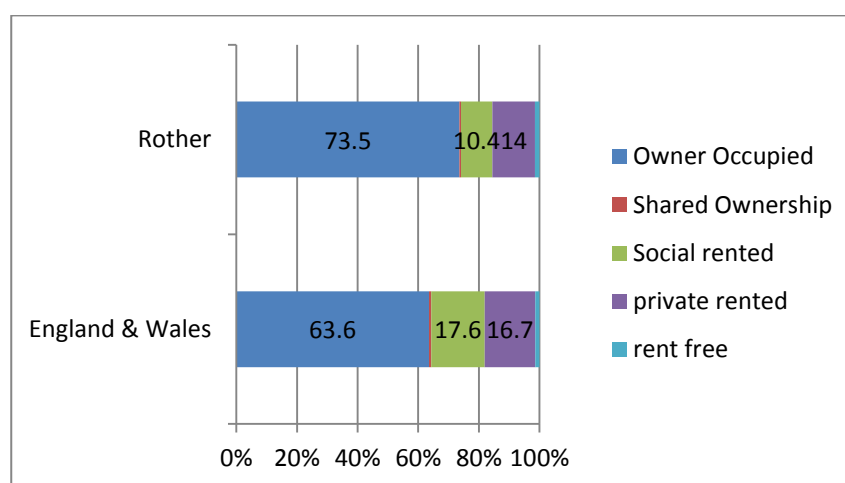


Chart 1: household tenure comparison – England & Wales, Rother

8. A significant portion of affordable housing delivery is dependent on the delivery of private housing schemes. Although housing delivery for all tenures

is increasing, it does not meet the expected Local Plan targets. Chart 2 below shows housing delivery compared to the Local Plan target, broken down by private and affordable housing. The trends in housing delivery in Rother are similar to national trends, showing the ebb and flow of the housing market through economic boom and crash.

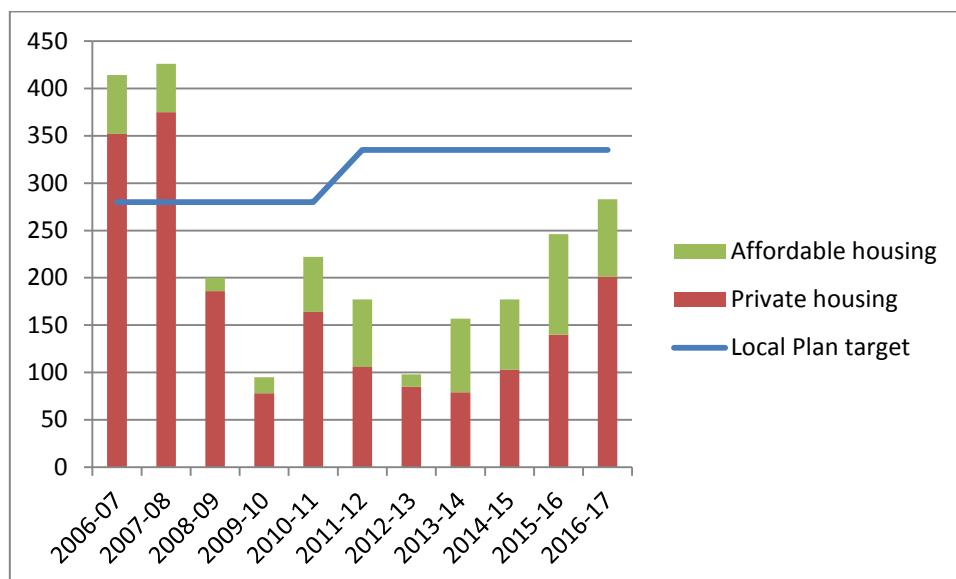


Chart 2: Housing delivery, compared to Local Plan target 2006/07 – 2016/17

9. The circumstances described in this section of the report have led to increasing housing costs, making home ownership and private rental homes inaccessible for many Rother residents. This in turn has meant that demand for affordable social housing continues to increase, with supply struggling to keep up with this demand, leading to homelessness, sofa surfing, poor quality living conditions and rough sleeping.

Housing Research – What the Data is Telling Us

10. Opinion Research Services (ORS) were commissioned by the Council to undertake some housing research in the Rother district; this took the form of a combined housing needs survey and private sector housing stock condition survey. ORS used a random sample approach to the survey, selecting addresses at random from a list of dwellings in six study sub-areas:
 - i) Battle.
 - ii) Battle Rural (Ashburnham, Brightling, Dallington, Salehurst, Netherfield, Ewhurst, Catsfield, Mountfield, Westfield, Bodiam, Penhurst, Crowhurst, Whatlington, Sedlescombe).
 - iii) Bexhill.
 - iv) Rye.
 - v) Rye Rural (East Guldeford, Fairlight, Northiam, Playden, Brede, Guestling, Iden, Peasmars, Rye Foreign, Camber, ickleham, Beckley, Pett, Udimore).
 - vi) Ticehurst Rural (Burwash, Etchingam, Hurst Green, Ticehurst).
11. The survey has provided us with some key information (which, in most cases we are able to break down by the six sub areas set out above) also being presented to the Overview and Scrutiny Committee (OSC), including the following headlines:

Affordability:

- a) 45.5% who rent privately receive housing benefit or local housing allowance to help with their housing costs.
- b) Of those who contribute towards their housing costs (excluding those who own outright or receive full housing benefit to pay their rent), around 6.7% report that their housing costs are putting a strain on their budget or causing extreme difficulties.
- c) Maximum Local Housing Allowance does not cover the full cost of private rent (median) in any area in Rother or for any house size.
- d) In some areas (Battle, Battle rural and Rye rural) maximum local housing allowance does not cover the full cost of affordable rent (i.e. social housing let at 80% of market value).

Housing Need:

- e) There is a need for a range of affordable housing across the district with around 27% of the need being for one bedroom, 44% for two bedrooms, 22% for three bedrooms and 7% for four bedrooms.
- f) The predominant need is for affordable rented homes; however, there are also some households able to afford intermediate housing schemes such as shared ownership.
- g) Our own housing register statistics show the following housing need in Rother:

Bedroom Need	Band A	Band B	Band C	Band D	TOTAL
1 Bed	84	91	191	238	604 (50%)
2 Bed	46	105	46	166	363 (30%)
3 Bed	22	49	67	43	181 (15%)
4 bed	2	13	16	4	35 (3%)
5 Bed	2	2	1	1	6 (0.5%)
6 Bed	0	1	0	0	1 (0.5%)
<i>Not known</i>	7	1	2	2	12 (1%)
TOTAL	163	262	323	454	1202

Table 1: Housing register data (November 2017)

Private Sector Stock Condition:

- h) 18.5% of dwellings in the district have a category one hazard, the most prominent being excess cold, and falls on stairs.
- i) 7.7% of households are in fuel poverty in the district with the highest levels being in the Ticehurst rural area at 12.2% and the lowest in Battle rural at 3.5%.

12. The survey findings confirm the view that housing costs in Rother are unaffordable for some of our residents, that affordable social rented accommodation is the most needed tenure type and that private rented housing in the district is in a poor condition with about one in 10 tenants experiencing excess cold and fuel poverty.

Government Policy for Housing Delivery

13. The Government published for consultation between February and May 2017, its Housing White Paper "*Fixing our Broken Housing Market*". The paper's stated aims were: boosting housing supply, creating a more efficient housing market, and supporting economic prosperity. A set of four proposals was set out:
 - a) planning for the right homes in the right places: to make sure that enough land is released, that the best possible use is made of that land, and that local communities have more control over where development goes and what it looks like;
 - b) building homes faster: where communities have planned for new homes, ensuring those plans are delivered to the timescales expected;
 - c) diversifying the market: to address the lack of innovation and competition in the home-building market; and
 - d) helping people now: tackling the impacts of the housing shortage on ordinary households and communities.
14. Further detail for each of the four proposals is set out in Appendix 1.
15. Additional to this, the Government stated its intention to publish reviews on local plans, rural planning, changes to the National Planning Policy Framework, housing for rent and the Community Infrastructure Levy.

What are the Challenges?

Reducing affordable housing sector

16. Over several years and successive governments, there has been a policy move away from social provision to home ownership. In the main, Local Authorities are no longer developing council housing and 'Right to Buy' has been reducing the availability of existing affordable housing since the 1980s.

Second home ownership

17. Due to the nature of the district, some areas are impacted by second and holiday homes, driving up the cost of housing and making less stock available for local people.

Affordability

18. Changes to the way in which new build affordable housing is funded requires Registered Providers (Housing Associations) to move away from providing 'social rented' homes (60% market rent) to 'affordable rented' homes (80% market rent) impacting on tenant affordability for those on low incomes.
19. Privately rented housing is now also under pressure and although as a sector it is growing, it is still unaffordable to many, as the supply is not keeping up with demand and local housing allowance (LHA) rates are not covering the cost of renting for those on low incomes (see Table 2 below). This creates particular issues for the Council in terms of its homelessness prevention responsibilities. Access to private rented homes is key to preventing

homelessness, in light of a reducing social stock, low social stock delivery rates and a low turnover of vacant social housing stock.

Bedrooms	Rent Lowest	Rent Highest	LHA Rate
1	£475.00	£795.00	£399.98
2	£675.00	£900.00	£522.69
3	£825.00	£1,200.00	£695.02
4	£1,300.00	#	£850.02

Table 2: Comparison of Rents to LHA rate – Bexhill. Source: Rightmove 22/9/17

only one 4 bed property available

Welfare Reforms

20. Some of the recent changes to welfare benefits have impacted households on low incomes, making access to housing more difficult. In particular the benefit cap which restricts the amount of certain benefits that a working age household can receive will impact households with larger families.

Private rented sector condition

21. This 'high demand, low supply' issue creates an environment where some landlords have no incentive to provide good quality accommodation and many tenants feel unable to complain about issues in their home including damp, disrepair and excess cold.

Land supply issues

22. Challenges for the Council relating to housing delivery include land supply and delivery issues, as well as costly infrastructure leading to stalled sites.
23. The supply of deliverable housing sites was identified as a 'key performance indicator' in January 2016. This followed a period of under-delivery against the Core Strategy housing target, resulting in a less than 5-year supply of deliverable sites. This is significant in several respects:
 - a) it shows that identified housing needs, whether for purchase or rent, are not being sufficiently met by new development;
 - b) it effectively reduces the weight that can be given to the Local Plan and Neighbourhood Plans when determining planning applications; and
 - c) it has a key bearing upon New Homes Bonus receipts to the Council.
24. The main reason for the current housing supply position is seen as the lack of, or slow rate of, building, principally on larger sites. Whilst the average 62 dwellings completed on smaller sites (less than six dwellings) from 2011 to 2017 compares favourably with the Core Strategy's 'small sites allowance' of 47 dwelling/year, the average number of annual completions of larger sites during this period has been only 128 dwellings.
25. Compounding this issue is the lack of opportunities for development in what is a district with large Areas of Outstanding Natural Beauty with clear environmental constraints to large scale development.
26. The combined annual total of 190 dwellings/year is clearly well short (56.7%) of the Core Strategy's annualised requirement of 335 dwellings/year. The consequence of this persistent low level of delivery is that, at April 2017, the residual requirement is now 498 dwellings/year, including a 20% buffer.

27. It is worth noting that there are 2,027 dwellings that have planning permission or have been approved subject to Section 106 Agreement on large site commitments (six units and above) as at 1 April 2017. A further 239 net additional dwellings are planned on small sites with planning permission at 1 April 2017, giving a total of 2,266 dwellings. Of these, 548 are affordable homes. There are currently five schemes (which include 73 affordable homes) which have stalled due to slow or no progress. These schemes are not being brought forward by developers and it has been widely reported that many builders are 'sitting on' or 'land banking' building plots. There are a further four schemes (which include 67 affordable homes) which have stalled due to viability issues or where the scheme has not been supported. This means a total of 140 affordable homes have stalled, which could provide a significant contribution towards housing those in need.
28. It is clear that sites are not being built out at a sufficient rate and whilst there are other factors, one of the biggest issues is land owner value expectation which can mean negotiations between developer and land owner can extend the time it takes to deliver a scheme by a significant period.
29. While the trend of housing completions is actually positive, insofar as it has risen every year since April 2012, it has still not yet reached the annualised requirement, let alone the high number necessary to "catch up".

Affordable Housing Delivery – What has been achieved

30. During 2016/17, 83 affordable homes were completed including schemes at North East Bexhill and Northiam. There are currently five schemes in progress across Rother which will see a total of 109 new affordable homes delivered by 2018/19, including further phases of North East Bexhill, Sedlescombe, Guestling, Peasmarsh and Burwash.
31. Completions of affordable housing in the district have been at the highest rate of delivery in over ten years (see Chart 2). Whilst this is encouraging to see, affordable housing development has to remain a high priority for the Council because of the growing demand from our residents and because, as can be seen in Chart 1 on page 2 we have a low baseline in terms of the existing number of affordable homes, particularly when compared to the national average.

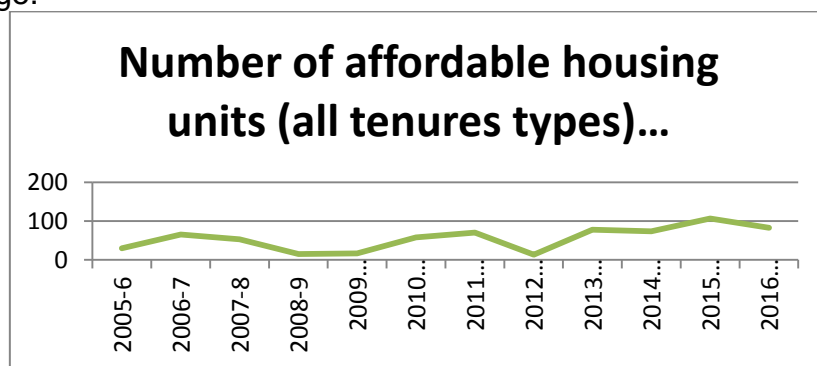


Chart 2: Affordable housing delivery 2005/6 – 2016/17

32. Detailed information about affordable housing delivery for 2016-17 and current schemes on site is available at <http://www.rother.gov.uk/housingpolicy> and as a handout at this meeting.

Being Proactive to Increase Supply

33. The Council continues to work proactively with partners to increase affordable housing supply. We work closely with Hastoe Housing Association who are rural housing specialists, to deliver our exception site schemes. Exception sites are small sites used for affordable housing in perpetuity where sites would not normally be used for housing, and where a local housing need can be demonstrated. A total of 41 affordable homes have been built over the last four years, in four rural locations (Staplecross, Brede, Burwash and Hurst Green) as a result of the exception site programme, and these have included 32 affordable rented homes and nine shared ownership properties.
34. Optivo (formerly Amicus Horizon) remain our main housing development partner and have delivered a total of 108 new affordable homes across Rother in the last two years, including schemes designed to meet the needs of our older residents through redesigning existing outdated schemes, such as Alexander Court, Little Common, and higher needs extra care schemes such as The Orangery, Bexhill.
35. Rother's Local Strategic Partnership (LSP), which includes senior strategic officers from Rother District Council (RDC), Sussex Police, East Sussex Fire & Rescue Service, East Sussex County Council, NHS Clinical Commissioning Group and Sussex Coast College, as well as representatives from the voluntary and business sectors, have committed to delivering an action plan which focuses on housing issues. The priorities for this year include:
 - a) increasing housing supply;
 - b) improving the quality of housing stock; and
 - c) supporting vulnerable residents: fire safety, fuel poverty, falling hazards and crime.
36. The LSP has come together, taking account of issues highlighted by a range of organisations to develop an action plan based on delivering the three housing focused priorities listed above. These actions include:
 - a) Sharing knowledge of funding opportunities related to affordable housing (all partners).
 - b) Undertaking joint social media marketing campaigns (to ensure residents are aware of shared ownership opportunities) (RDC working with Optivo).
 - c) Considering ways that funding can be levered in to improve private rented housing stock, as a result of findings from the stock condition survey (RDC working with CCG).
 - d) Delivering a programme of multi-agency training days to ensure all front line agencies, volunteers and community groups are aware of how to identify issues relating to fuel poverty, fire safety and slips, trips and falls in the home (all partners).
37. The Council's Asset Management Plan refers to making best use of its assets for development or redevelopment where appropriate. In September, the OSC considered a report on Income Generation and the Asset Management Plan, one of the recommendations of which was to appoint a post to bring forward development on Council-owned sites; and this was subsequently endorsed by Cabinet (Minute CB17/28 refers). The suitability of sites for

housing, including affordable housing, will be assessed on a case-by-case basis when developing project plans for development. Recruitment to this post is now in progress.

Community Led Housing – A Strategy for reducing the impact of second homes

38. Whilst the Council continues to work closely with our Registered Provider partners and developers to deliver affordable housing throughout the district, we are considering other ways we can increase supply including through initiatives such as Community Led Housing (CLH).
39. The Government announced the Community Housing Fund (CHF) as part of the 2016 April Budget, aimed at helping 150 councils tackle the impact of second homes in their communities.
40. In December 2016, RDC were allocated a total amount of £748,899 of CHF by the Department for Communities and Local Government, to support delivery of CLH projects in Rother. It is likely future CHF opportunities will be available either directly or indirectly via the Homes and Communities Agency and community led housing sector. The programme of funding is being financed from the higher stamp duty land tax, levied on additional/second homes.
41. The aim of this funding is to grow the CLH sector, as an alternative and additional mechanism of delivering affordable housing. This is in response to the increasing number of second homes, crowding out first time buyers and threatening the stability of local communities, as many second homes sit empty for many months of the year.
42. Cabinet agreed to allocate a portion of the funding (£100,000 over a four year period) to Action in Rural Sussex (AiRS) (Minute CB17/04 refers). A Service Level Agreement is in place with agreed objectives and outcomes including the expansion of a Sussex wide Community Housing Hub over a four year programme.
43. Of the remaining £650k, £50k will be used to support the development of Community Land Trusts, co-operatives or community led groups which will lead to affordable housing delivery; £600k will be used to provide capital support to this programme. There are a number of options as to how this could be allocated and criteria are being agreed.

Private Sector Housing and Fuel Poverty

44. In February 2016, the Council updated its Private Sector Housing Enforcement Policy to reflect service demand and current legislation (Minute CB15/70 refers).
45. In addition in April 2017, the OSC received a presentation from the East Sussex Energy Partnership's Fuel Poverty Co-Ordinator; officers also presented a report on fuel poverty in Rother (Minute OSC16/56 refers).
46. In light of the trends and issues highlighted in this report, it is likely that demands on enforcement in the private rented sector will increase; alongside

the need for measures to address fuel poverty, particularly for vulnerable groups and in rural areas.

47. Recent research in the form of the private sector stock condition survey provides officers with the evidence required to consider how to tailor services to best meet current and future demands, in order both to address poor quality accommodation in the private rented sector and to tackle fuel poverty, working with partner organisations.

Task and Finish Group

48. It is proposed that a Housing Issues Task and Finish Group consider the following four housing issues:
- a) Land supply issues
 - b) Affordable housing delivery
 - c) Homelessness (subject to another report on the agenda)
 - d) Managing the impact of welfare reforms (subject to another report on the agenda)
49. Members may wish to define the scope of the Task and Finish Group to focus the inquiry on one or more of the above issues with a view to making the most difference and having the most impact on the current housing situation. A proposed terms of reference for the Housing Issues Task and Finish Group is attached at Appendix 2.

Conclusion

50. This report has set out a number of issues and challenges relating to housing supply in Rother. It is clear there are a number of challenges; perhaps the most difficult to overcome is how to get developers to deliver more housing, more quickly to meet an increasing need.
51. Much evidence to support what is required has been obtained through the Council commissioned Housing Research report and this information, together with our own data on housing needs and homelessness, will help us to develop a targeted and ongoing plan of action to remedy some of the issues that have been highlighted.
52. It is recommended that a Housing Issues Task and Finish Group be established with meetings to take place during winter/spring with the aim that a set of recommendations are brought back to the OSC in June 2018.

Dr Anthony Leonard
Executive Director of Business Operations

Risk Assessment Statement

There is a risk that members may wish to tackle all challenges highlighted within this report, with outcomes 'watered down' as a result. This risk can be reduced by ensuring the Task and Finish Group focuses on one or two issues where suitable proposals can be put forward which are more likely to have an impact.

‘FIXING OUR BROKEN HOUSING MARKET’

The Government has published a Housing White Paper, ‘Fixing Our Broken Housing Market’, setting out proposals for future housing legislation. The Paper went out for consultation between February and May 2017 and findings are currently being analysed.

Introduction

Government describes the problem as threefold:

- Not enough local authorities are planning for the housing they need;
- House building is too slow;
- Construction industry are reliant on a small number of big players

The Governments proposals cover four areas:

1. [Planning for the right homes in the right place](#)
2. [Building homes faster](#)
3. [Diversifying the market](#)
4. [Helping people now](#)

1. PLAN FOR THE RIGHT HOMES IN THE RIGHT PLACES

1.1 ‘Making Plans Easier to Produce’

The Government are legislating through the Neighbourhood Planning Bill to ensure every community is covered by an up-to-date, sufficiently ambitious plan. Proposals in the White Paper will make plans easier to produce by providing authorities with support. Government have said they will intervene to ensure plans are put in place, so that communities in the areas affected are not disadvantaged by unplanned growth. Plans will be required to be updated at least every five years – this will be set out in regulations – and will need to be updated if the existing housing target can no longer be justified against the authority’s objectively assessed housing requirement.

Plans/proposals:

- **Government will remove the policy expectation that each local planning authority should produce a single local plan** – opening up opportunities for joint plans with neighbouring authorities.
- **Government are proposing to set out in policy the key strategic priorities that every area is expected to plan for**
- **Government will amend National Planning Policy to:**
 - **make clear that plans and policies should not duplicate one another;**
 - **amend the tests of what is expected of a ‘sound’ plan;**
 - **Tighten the definition of what evidence is required to support a ‘sound’ plan**

1.2 ‘Assessing Housing Requirements’

The Government believes that a more standardised approach to assessing housing needs would provide a more transparent and consistent basis for plan production, and reduce the time taken to agree final Plans where housing needs assessments have been challenged. The White Paper sets out the Government’s intention to consult on options for introducing this.

Plans/proposals:

- **Government will be consulting on options for introducing a more standardised approach to assessing housing requirements**
- **From April 2018 the new methodology for calculating housing requirement will apply as the baseline for assessing 5 year housing land supply and housing delivery in the absence of an up to date plan**
- **Government propose to strengthen national policy so that local planning authorities are expected to have clear policies for addressing the housing requirement of groups with particular needs, such as older and disabled people.**

1.3 'Making Land Ownership and Interests More Transparent'

The Government believes that making data about land ownership more readily available will allow authorities and communities to take a more proactive role in developing plans, support digital plan making, help new entrants to the market and open up the market to those wishing to invest in development by making it easier to see who owns unused land.

Plans/proposals:

- **HM Land Registry will be modernised to become a digital and data driven registration business**
- **Government will examine how HM Land Registry and the Ordnance Survey can work more closely together**
- **Government will ensure completion of the Land Register**
- **Government will collate and make openly available a complete list of all unregistered publicly held land by April 2018**

1.4 'Bringing Brownfield Land Back into Use'

The Government has stated that the presumption should be that brownfield land is suitable for housing unless there are clear and specific reasons to the contrary (such as high flood risk)

Plans/proposals:

- **NPPF will be amended to indicate that great weight should be attached to the value of using suitable brownfield land within settlements for homes**

1.5 'More Homes on Public Sector Land'

The Government has an ambition to release surplus public land with capacity for 160,000 homes during this parliament and is planning to support local authorities through funding and amending regulations which will make it easier for authorities to dispose of land.

Plans/proposals:

- **Support for Local Authorities with the launch of £45m Land Release Fund for Accelerated Construction Programme**
- **Proposal to amend regulations so that all local planning authorities are able to dispose of land with the benefit of planning consent which they have granted themselves**
- **Consultation on using powers in the Growth and Infrastructure Act 2013 to issue new General Disposal Consent, which would enable authorities to dispose of land held for planning purposes at less than best consideration without the need for specific consent for the Secretary of State**

1.6 'Supporting Small and Medium Sized Sites and Thriving Rural Communities'

Government sees small sites as providing opportunities for custom builders and smaller developers and sees these as a way to help meet rural housing needs. There will be an expectation that residential development opportunities on small sites be treated positively and this is seen as a way to assist authorities in continuing to protect open space, the character of residential neighbourhoods and stopping unwanted garden grabbing.

Plans/proposals:

- **Amend national policy to expect local planning authorities to have policies that support the development of small ‘windfall’ sites**
- **Indicate that great weight should be given to using small undeveloped sites within settlements for homes**
- **Give much stronger support for sites that provide affordable homes for local people**
- **Highlight the opportunities that neighbourhood plans present for identifying and allocating sites that are suitable for housing**

2. BUILD HOMES FASTER

2.1 ‘Providing Greater Certainty’

Government sees five year land supply as a ‘blunt tool’ which has seen some negative effects on local planning, including increased rates of appeal and neighbourhood plans being undermined.

Plans/proposals:

- **Amend National Planning Policy Framework to give local authorities the opportunity to have their housing land supply agreed on an annual basis, and fixed for a one year period**
- **Where communities have planned for housing through a neighbourhood plan, these plans should not be deemed out of date unless there is a significant lack of land supply for housing in the wider local authority area**

2.2 ‘Boosting Local Authority Capacity and Capability to Deliver’

Government is concerned about lack of capacity and capability in planning departments and plans to take steps to secure their sustainability. Government are interested in introducing fees for appeals in the expectation this will reduce unnecessary appeals.

Plans/proposals:

- **Increase nationally set planning fees** (by 20% from July 2017 if commitment to invest additional amount in the planning department)
- **Make available £25m of new funding to help ambitious authorities in areas of high housing need to plan for new homes and infrastructure**
- **Consult on introducing a fee for making a planning appeal**

2.3 ‘Ensuring Infrastructure is Provided in the Right Place at the Right Time’

Government is planning to take a more co-ordinated approach to ensure infrastructure is provided in the right places at the right time to unlock housing delivery. This includes working on digital infrastructure and with utilities.

Plans/proposals:

- **Target the £2.3bn Housing Infrastructure Fund at the areas of greatest housing need**
- **Amend national policy so that local planning authorities are expected to identify the development opportunities that such investment offers at the time funding is committed**

- Consultation on requiring local authorities to have planning policies setting out how high quality digital infrastructure will be delivered in their area
- Work together across government and the sector to review Better Connected
- Review what more can be done to ensure utilities planning and delivery keeps pace with house building and supports development across the country
- Government will closely monitor performance to ensure house building is not being delayed and, if necessary, will consider obligating utility companies to take account of proposed development

2.4 'Supporting Developers to Build Out More Quickly'

Government want to tackle what it sees as a range of factors which cause delays to development once planning has been granted, including planning conditions, habitat management, developer contributions and skills shortages.

Plans/proposals:

- Tackle unnecessary delays caused by planning conditions
- A strategic approach to the habitat management of protected species
- Examine the options for reforming the system of developer contributions (announcement at Autumn budget 2017)
- Change to the way Government supports training in the construction industry
- Launch a new route into construction in September 2019

2.5 'Holding Developers and Local Authorities to Account'

Government is setting out a number of proposals that will hold local authorities more closely to account for the delivery of homes that they have planned for. There will also be changes to policy and processes to help understand where delays are occurring and which will give the ability to tackle these delays more effectively.

Plans/proposals:

- More information required about timing and pace of delivery of new housing
- Consultation on proposal to require large house builders to publish aggregate information on build out rates
- Amend national planning policy to encourage local authorities to consider how realistic it is that a site will be developed, when deciding whether to grant permission for housing development
- Consultation on whether local authorities should consider applicants track record on delivery when determining planning applications for housing development
- Consider the implications of amending national planning policy to encourage local authorities to implement a permission for housing development from the default period of three years to two years
- Simplify and speed up the completion notice process
- New guidance (following consultation) encouraging the use of compulsory purchase powers to support build out of stalled sites
- A new housing delivery test for local authorities (the test will highlight whether the number of homes being built is below target, and provide a mechanism for establishing the reasons why. The first assessment period will be for financial years April 2014 – March 2015 to April 2017 – March 2017)

- Local authorities will be required to publish an action plan where delivery falls below 95% and expected to plan for a 20% buffer on their five year land supply if housing falls below 85%
- From November 2018, if housing delivery falls below 25% of the housing requirement, the presumption in favour of sustainable development in the NPPF would apply automatically. From November 2019, if delivery falls below 45% the presumption would apply; from November 2020, if delivery falls below 65%, the presumption would apply
- Keeping the delivery of land with planning permission under review

3. DIVERSIFY THE HOUSING MARKET

3.1 *'New Players: a diverse and vibrant group of house builders'*

The Government are seeking to grow diversity in the market by introducing a range of policies and initiatives aimed at encouraging SMEs and innovators.

Plans/proposals:

- **No requirement for local authorities to keep a small sites register at this time**
- **£3 billion Home Building Fund** short term loan finance targeted at SMEs, custom builders and innovators
- **Accelerated Construction programme** to help diversify the market through partnering with small and medium sized firms and others as development partners and contractors
- **More publicity on Help to Buy equity loan** aimed at small and medium sized builders to encourage take up
- **Promote National Custom and Self Build**
- **Ensure exemption from CIL continues for self-build**
- **Work with lenders** to ensure they have plans in place to increase their lending in line with consumer demand

3.2 *'Expanding the contribution from other parts of the housing market'*

The Government have set out some changes to encourage an increase in building homes for rent by using institutional investment and encouraging housing associations to build more.

Plans/proposals:

- **Attracting institutional investment to build more homes for rent** Pooling of local government pension funds for investment is used as an example
- **Change to NPPF so that authorities plan proactively for Build to Rent**
- **Ensure more family friendly tenancies of three or more years are available**
- **Set out a rent policy for social housing landlords for the period beyond 2020 to help them to borrow against future income**
- **Put housing regulation on a more independent footing**
- **Reiterate the position that housing associations belong in the private sector** by implementing the necessary deregulatory measures to allow them to be classified as private sector bodies
- **Urge housing associations to explore every avenue for building more homes**
- **Expect housing associations to make every effort to improve their efficiency, in order to release additional resources for house building**
- **Work with Local Authorities to understand all the options for increasing the supply of affordable housing**
- **Consider requests from local authorities for bespoke deals in high demand areas, where there is a genuine ambition to build**

- **Homes & Communities Agency to be relaunched as ‘Homes England’** with the purpose ‘to make a home within reach for everyone’

3.3 ‘Boosting productivity and innovation: modernising the housebuilding sector’

The Government is concerned that the housebuilding industry is less productive than the wider economy, partly because it has been slow to modernise and make use of more efficient and faster ways of building. It plans to tackle these issues with the following:

- **Accelerated Construction programme and Home Builder’s fund**
- **Support a joint working group with lenders, valuers and the industry**
- **Consider how the operation of the planning system is working for modern methods of construction (MMC) development**
- **Consider the opportunities for offsite firms to access innovation and growth funding and support for them to grow.**

4. HELPING PEOPLE NOW

4.1 ‘Helping people afford a home’

Whilst the Government’s strategy is to increase overall supply, it is proposing a range of measures to enable people to access the housing market who are currently struggling as a result of the ‘immediate symptoms of our broken market’.

Plans/proposals:

- **The introduction of the Lifetime ISA in April 2017** The introduction of the Lifetime ISA in April 2017 to support younger adults to save flexibly for the long term, giving them a 25% bonus on up to £4,000 of savings a year
- **Committing £8.6 billion for the Help to Buy: Equity Loan scheme**
- **Clarifying the criteria for Starter Homes through the NPPF**
- **Amending the NPPF to introduce a clear policy expectation that housing sites deliver a minimum 10% affordable home ownership units**
- **Clarification that starter homes, with appropriate local connection tests can be acceptable on rural exception sites**
- **Extending Right to Buy discounts to housing association tenants**
- **Consultation early this year, ahead of bringing forward legislation to ban letting agents fees to tenants**
- **Introducing banning orders to remove the worst landlords or agents from operating and enable local councils to issue fines as well as prosecute**
- **Promoting longer tenancies on new build rental homes**

4.2 ‘Improving neighbourhoods and making best use of existing homes’

The Government are concerned about the impact on underused homes on communities – and are putting in place plans regarding second home ownership and empty homes. The Government have made it clear that people are entitled to own a second home but feel it is right that they make an extra contribution – this has already happened through higher rates of Stamp Duty Land Tax.

Plans/proposals:

- **Community Housing Fund – supporting communities to take the lead in developing homes in areas particularly affected by second homeownership**

- **Encourage authorities to tackle empty homes**

4.3 'Housing for our future population'

The Government are planning a number of measures to ensure the housing needs of specialist needs are met; These include older people, people with disabilities and the homeless and those at risk of homelessness.

Plans/Proposals:

- **Guidance (through the Neighbourhood Planning Bill) on how authorities should meet the housing needs of older and disabled people**
- **New funding model for supported housing**
- **Homelessness Reduction Bill**
- **Doubling the size of the Rough Sleeping Fund**
- **Consider whether social lettings agencies can be an effective tool**

END

Rother District Council

HOUSING ISSUES TASK AND FINISH GROUP

Terms of Reference

Aims and Origin

- The Vision set out in the Corporate Plan (2014-2021) states that *“Rother district will be recognised for its high quality of life, as a place where there is a strong emphasis on community and neighbourhoods”*.

The theme of housing recurs throughout the Corporate Plan with actions including:

- Provide support for those in housing need
- Promote affordable home ownership options;
- Offer affordable housing options for low income working households;
- Support the development of affordable accommodation; and
- Work to improve the condition of private housing stock, in line with regeneration objectives, including bringing into use empty homes.

These five objectives are proposed to be the focus of the Housing Issues Task and Finish Group.

A Strategic Housing Report has been commissioned from ORS research consultancy and will inform the working of the Group.

Scope

- a) Land supply issues
- b) Affordable housing delivery
- c) Homelessness
- d) Managing the impact of welfare reform

Approach

- a) Review current provision.
- b) Determine priorities for further work.
- c) Interview stakeholder representatives and collect evidence
- d) In line with research findings draw up a draft strategic report with recommendations improvement to the provision of housing in the district.

Desired Outcomes

- a) Achieve a comprehensive understanding and analysis of housing issues in Rother district.
- b) Present a forward looking and solution-focussed report to Cabinet incorporating innovative ways of addressing housing issues in Rother District.

Timescale

- Preliminary meeting and review – January 2018
- Four themed meetings – winter and spring 2018
- Analysis, report writing and recommendations – Spring 2018
- Report back to Overview and Scrutiny Committee – June 2018

Membership

- 8 Councillors (politically balanced with the ability to substitute)

Officer Lead

- Alison Spring, Programme Office and Policy Manager