

**Committee: Housing Board**

**Agenda Item**

**Date: 30<sup>th</sup> August 2011**

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**Title: Housing Policy Development Update**

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### **Summary**

1. This report updates the recent development of housing policy and strategy across all sectors, much of which is arising from central government's policy direction.

### **Recommendations**

2. That the Housing Board discuss the various policy strands, note the action to date and comment on future direction on specific issues as set out in the action plan.

### **Financial Implications**

3. Several areas of policy implementation will have significant financial impact on the Council. These areas will be highlighted within more detailed reports as Members are asked to make decisions in the various areas set out in the action plan in the future.

### **Background Papers**

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Uttlesford DC Housing Strategy 200 – 2012  
Uttlesford DC Affordable Housing Strategy November 2009  
2011 – 15 Affordable Homes Programme – Framework - Homes and  
Communities Agency  
Localism Bill 2011 – Communities and Local Government

### **Impact**

- 5.

Communication/Consultation	N/A
Community Safety	N/A
Equalities	N/A

Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

## Situation

6. Since forming the new government in May 2010, the Conservative/Liberal coalition has introduced considerable change into housing policy. These changes were initially set out in various consultation papers and more recently through the launch of its 2011 – 15 Affordable Homes programme and further set out in the content of the Localism Bill which is currently going through Parliament.
7. The current Uttlesford DC Housing Strategy for the period of 2009 – 2012 is now largely out of date. As well as the new policies being introduced by government, the abolition of regional agencies, the London Commuter Belt sub-region, the Audit Commission and Local Area Agreement frameworks will all have an impact on the way that the council delivers its housing strategy. The emphasis on localism signifies a step change in how the government expects local authorities to develop and implement their housing strategies.
8. The action plan attached at annex A sets out the main areas of policy that are affected by the recent changes and how the council has responded to date. The two most significant areas to date are the introduction of the 2011 – 15 Affordable Homes Programme and the provisions set out in the Localism Bill, particularly the requirement to introduce a strategic policy on tenancies.
9. The 2011 – 15 Affordable Homes Programme was launched in February 2011 and registered providers including local authorities, housing associations and private developers were invited to bid for allocations from a £1.8m affordable housing fund. The programme set out a new model for funding the affordable housing called Affordable Rent. In essence the model enables registered providers to charge up to 80% of market rents on new housing and a proportion of relets of existing stock. The additional funds generated can be used to service loans taken out by registered providers to fund new homes and reduce the level of grant required from central government. Rents on these properties will be around 20% to 30% higher than those charged at social rents under the previous model. The lead housing associations who work in the District all applied for funds through the programme and their bids were supported by the Council. All partners received an allocation with the exception of English Rural Housing Association.

10. As a result of the introduction of this model, the Council's current Affordable Housing Strategy 2009 is out of date as it refers to a requirement for the 40% affordable housing on new developments being split between 70% social rent and 30% intermediate housing. In response to the changes the Council has carried out a consultation on amending its affordable housing policy in order to provide for affordable rent instead of social rent and the consultation ended on 29 July 2011. The responses are currently being considered but there were no significant objections to the overall proposed amendments.
11. The Localism Bill when enacted will require all local authorities to introduce a strategic policy on tenancies. The aim of this policy change is to focus social housing on those most in need in a way that enables them to use it as a 'springboard to opportunity'. By introducing flexibility it aims to make the best use of the four million social rented homes in the country. It will do this by increasing the freedoms available to all social landlords to determine the sort of tenancy they grant to new tenants, whilst protecting the rights of existing tenants. Many Councils are considering how to approach the development of this policy with consideration being given to partnership working. Uttlesford is already working with Harlow DC and Epping Forest DC with regard to the development of a Local Investment Plan and as the three authorities work in partnership with many of the same Housing Associations, a joint approach could be beneficial, although working across other borders could also be considered.
12. The Council's approach to all the policy areas will be formulated and delivered over the next three years with significant progress being made during the period 2011/12. It is therefore expected that a new housing strategy will be produced in 2012 covering all sectors and the areas set out in the action plan.

## Risk Analysis

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Risk	Likelihood	Impact	Mitigating actions
Non conformity with Government Policy	1 – Highly unlikely as Council is responding in all areas.	3 – Introducing new policies which conform with government policy will enable the delivering of services and meet local needs	Regular monitoring of performance in developing policy through Housing Board.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.