

## HOUSING SERVICES REVIEW 2021 - UPDATE

### Executive Summary

The Overview and Scrutiny Committee undertook a review of Housing as a topic during the 2020/21 municipal year. This review was undertaken over three consecutive months in three sessions, with the aim of informing development of the Council's next Housing Strategy.

This paper provides an update on progress made regarding the recommendations resulting from the scrutiny review and considered by the Council at its meeting on 8 April 2021.

Since the Scrutiny Review was completed, a new Housing Strategy has been prepared and was adopted in July 2021 following public consultation. The Housing Strategy details the Council's vision for the period 2021 - 2026, covering the scope of our Housing Services and is designed to complement our other policies. It has an overall focus on achieving an increase in the supply of affordable housing whilst making the best use of the existing stock; improving the customer journey across the service; and enabling residents to fulfil their potential.

### Recommendations

The Committee is requested to:

#### **RESOLVE That**

- (i) the report on progress be noted.

The Committee has the authority to determine the recommendation(s) set out above.
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<b>Background Papers:</b>	None.
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### 1.0 Introduction

- 1.1 The Overview and Scrutiny Committee (O&S) undertook a review of Housing as a topic during the 2020/21 municipal year. This review was undertaken over three consecutive months in three sessions, with the aim of informing development of the Council's next Housing Strategy.
- 1.2 This paper provides an update on progress made regarding the recommendations resulting from the scrutiny review and considered by the Council at its meeting on 8 April 2021.
- 1.3 Since the review was completed, the new Housing Strategy has been developed and sets out the Council's vision for the period 2021 - 2026, with an overall focus on achieving an increase in the supply of affordable housing whilst making the best use of the existing stock; improving the customer journey across the service; and enabling residents to fulfil their potential.
- 1.4 The Housing Strategy covers the scope of our Housing Services and is designed to complement our other policies, such as the Local Plan and Corporate Plan. The strategic priorities contained in the Housing Strategy are:
  - To provide well designed, high quality homes that are affordable and meet local needs;
  - To prevent homelessness and help those in housing need;
  - To help people to achieve independence and wellbeing;
  - To deliver an improved housing service to our tenants and leaseholders;
  - To enhance choice, standards and quality within the private rented sector.
- 1.5 Following a 4-week consultation process, the new Housing Strategy was adopted in July 2021.

### 2.0 Update on Recommendations

#### 2.1 Recommendation 1

2.2 Recommendation 1 was that -

*"The locally set commuted sum formula to be reviewed when the Affordable Housing SPD is next updated"*

2.3 The Strategic Housing and Development and Planning Policy teams are currently reviewing and updating the Council's Affordable Housing Supplementary Planning Document (SPD) to account for national policy changes and to improve (where possible) its processes for securing affordable housing. Reviewing the commuted sum formula and guidance will form part of this process.

2.4 Officers are aiming to bring a draft Affordable Housing Supplementary Planning Document to the Local Plan Member Working Group on 24 November 2021.

2.5 The aim is to adopt the new SPD in Summer 2022.

#### 2.6 Recommendation 2

2.7 Recommendation 2 was that -

*"The Borough should set the example and seek to bring forward more of its own sites for affordable housing developments."*

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- 2.8 This is addressed in Strategic Priority 1 of the Housing Strategy with a specific aim in the action plan to look for opportunities arising from the asset management strategy and property review to develop more affordable housing.
- 2.9 The target dates are to develop an Asset Management Strategy for our Council-owned stock by December 2022 and identify potential development sites resulting from this by Summer 2023.
- 2.10 The recently approved Bonsey Lane garage site is a site currently being prioritised. This project will demolish and replace the existing disused garages to the rear of Bonsey Lane with an apartment block of 7 flats, comprising a mix of 1, 2 and 3 bedroom flats. The rent for these will all be set at Social Rent levels, and will therefore help to meet housing needs of applicants on the Council's Housing Register.
- 2.11 Recommendation 3
- 2.12 Recommendation 3 was that -
- "Where a viability case results in fewer affordable homes being proposed a S106 agreement in order to provide the option for the actual costs and values to be completed."*
- 2.13 The Council has received a number of viability cases in recent years and uses independent viability consultants to interrogate the submitted developer viability reports focusing on the key issues of expected sales values (Gross Development Value - GDV), land value and likely build costs.
- 2.14 The developer pays for the independent viability assessment undertaken by the Council's consultants, though the consultants' report is issued and belongs to the Council. Where it is established that a scheme is not viable, the consultants will recommend that a clawback provision is included in any Section 106 agreement to ensure that any unexpected increase in GDV (overage) is able to be captured and a commuted sum provided to the Council for the provision of affordable housing elsewhere.
- 2.15 An overage clause in the Section 106 agreement is now routinely negotiated as part of the planning process where a viability case has resulted in a reduced provision of affordable homes.
- 2.16 Recommendation 4
- 2.17 Recommendation 4 was that -
- "A town centre strategy to be brought forward in consultation with residents on the nature of new build housing in this area to inform future policy"*
- 2.18 The Council has committed to prepare a newly defined Town Centre Masterplan to help guide future sustainable development within the Town Centre.
- 2.19 At its meeting on 15 July 2021, the Executive received an overview of the Town Centre Masterplan and agreed a budget of £100,000 to take this work forward. Community engagement will be central to the preparation of the Masterplan.
- 2.20 The draft Masterplan will be reported to the LDF Working Group, the Executive and Council before it is adopted.
- 2.21 Recommendation 5
- 2.22 Recommendation 5 was that –

*“Increased vigour and support to the return of empty homes into occupation.”*

- 2.23 This recommendation is addressed in Strategic Priority 5 of the Housing Strategy.
- 2.24 Since 2016/17, 227 empty homes have been brought back into use. However, as at April 2021, Woking had 433 long term empty properties and 105 of these lying empty for more than 24 months.
- 2.25 The Covid-19 pandemic has had a significantly detrimental impact on the team’s ability to work towards addressing this. However, as restrictions have been removed, officers are committed to renewing efforts in this area and bring a minimum of 40 empty properties back into use through negotiation, using enforcement action as a last resort.
- 2.26 Initial work has seen 168 empty home owners written to in June 2021, resulting in a 38% response rate. Of these, 26 stated that their property was not empty and these are due to be followed up with Council Tax.
- 2.27 The proactive empty homes work will pick up from September 2021.
- 2.28 Recommendation 6
- 2.29 Recommendation 6 was that -
- “That the Planning Committee has a session on the viability assessment process in their regular update training.”*
- 2.30 This session took place on 1 February 2021, with feedback from Member indicating that it was an extremely informative and useful session. Further training will be arranged for members of the Planning Committee as required.

### **3.0 Corporate Strategy**

- 3.1 Housing plays an important role in the health, social, environmental and economic wellbeing of everyone who lives in the borough. Good quality, decent and affordable homes contribute significantly to health and wellbeing and social inclusion.

### **4.0 Implications**

#### Finance and Risk

- 4.1 The Housing Strategy provides clear direction and focus with respect to its strategic objectives for Housing Services upon which future financial decisions can be based.
- 4.2 The risks associated with delivering the Housing Strategy are clearly set out in the Action Plan.

#### Equalities and Human Resources

- 4.3 The Housing Strategy reflects the Council’s ambitions to promote equality and address inequalities in Woking. An Equalities Impact Assessment was completed.

#### Legal

- 4.4 The Local Government Act 2003 requires the Council to publish a housing strategy setting out a vision for housing in its area and identify objectives and priorities to meet the current and future housing needs of the local population.

### 5.0 Engagement and Consultation

- 5.1 The draft Housing Strategy was distributed for widespread consultation to tenants, those on the housing register and the wider population of Woking through the Woking Community Forum online platform, emails and social media. Formal consultation was launched on 21 May 2021 for a 4-week period, closing on 18 June 2021.
- 5.2 278 people responded to the online survey, 21 suggestions were posted on the Ideas Board and 3 responses were received via letter/email. The survey showed that 85.9% of respondents agreed with the overall direction of the strategy, with the strongest support being for priorities 2 (to prevent homelessness and help those in housing need) and 3 (to help people to achieve independence and wellbeing) (at 83.5% and 80.1% respectively).
- 5.3 The key themes coming out of the consultation included the need for more coverage on sustainability/energy efficiency; support for making more efficient use of existing stock (including the focus on empty homes and downsizing incentives); support for the planned changes to housing management and maintenance and a clearer prioritisation of social rented homes. There were also comments made that the strategy needed to set clearer targets and actions. The feedback was incorporated into the final Housing Strategy adopted in July 2021.
- 5.4 Community engagement will also be central to the preparation of the Town Centre Masterplan.

REPORT ENDS