

SUBMISSION TO COMMUNITY HOUSING AND HEALTH (OVERVIEW AND SCRUTINY) COMMITTEE

Date: 31st January 2012

Agenda Item: 6

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SUBMISSION BY CABINET MEMBER FOR HOUSING, HEALTH AND ENVIRONMENTAL PROTECTION

LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY – AFFORDABLE HOUSING POLICY

1. Purpose of Report

- 1.1 To advise Members of the latest evidence available to inform the housing policies to be contained in the Core Strategy of the Local Development Framework (LDF). This includes updates of the Strategic Housing Market Assessment (SHMA) and a Housing Needs study (HNS) by consultants Nathaniel Lichfield and Partners (NLP). In addition further work is being undertaken to update the Affordable Housing Viability Study (AHVS).
- 1.2 To invite Members to participate in a short-life Member Task Group:
 - To scrutinise and review the latest evidence and outcomes of the studies
 - To consider the key issues arising from the studies
 - To consider the implications for the housing policies within the core strategy in particular the draft affordable housing policy
 - To make recommendations on the draft policies to the Cabinet Member
- 1.3 To advise Members that following discussions with the Chairman of this committee there is a proposed membership and draft terms of reference of the task group which are detailed at **Appendix A**.

2. Background and Introduction

- 2.1 The Local Development Framework (LDF) has been in development for a number of years. Members will be aware that an informal Core Strategy consultation exercise was carried out last year which provided an opportunity for local residents, organisations and stakeholders to debate the appropriate level of housing development over the next 15 years. A significant number of representations were received on housing particularly on housing numbers and the level of affordable housing to be included on new developments.
- 2.2 A revised draft Core Strategy of the LDF is scheduled to be published and consulted upon in the summer of 2012. This will include a revised 'Homes for the Future' section which will contain policies on housing mix and affordable housing which are both matters that should be considered by members of this Committee.
- 2.3 The following key pieces of evidence are currently being updated:
 - SHMA - NLP were appointed in September 2011 by Lichfield, Cannock chase and Tamworth councils to undertake a study into the Future population, household projections and housing needs of the area. This work includes a partial update of the previous SHMA¹

¹ The original SHMA was done by Outside UK in 2008 for the C1 sub-regional area that included Lichfield District, Tamworth Borough, Birmingham and Solihull council areas.

and will include more information on housing need than was done in the original assessment. The NLP update will assess the need for affordable housing and will also set a total and annual housing target that will be broken down by tenure (market, social rent, affordable rent & intermediate housing), size (bedrooms) and type (flat, house, bungalow) for each sub-housing market area in the District- Lichfield City, Burntwood, Rural North and Rural South and East. It will also consider the housing needs of specific groups such as families, older people and first time buyers.

- Housing needs study - As part of the NLP work, a housing needs study has been completed by a market research company called NEMS who did a telephone survey of 500 residents in each local authority area. This will provide us with some primary data to give us a better understanding of housing need and demand.
- Viability Study - An Affordable Housing Viability study was completed by consultants Fordham's in 2010. This included a dynamic model to enable the affordable housing target to be changed according to market conditions. We have commissioned Fordham's to update this work for us and also to include an assessment of the new affordable rent model and it's implications on the viability of affordable housing delivery on large sites.

3. Community Benefits

- 3.1 The Council's affordable housing policy is important as it impacts on the future delivery of affordable homes which provide accommodation for some of the most vulnerable members of the community.
- 3.2 Affordable homes can contribute to building sustainable communities and provides choice for local people.

4. Recommendation

- 4.1 That Members note the contents of this report and agree that a short life Member Task group is established to scrutinise and review the latest evidence and outcomes of the studies, consider the implications for the housing policies within the core strategy in particular the draft affordable housing policy and make recommendations on the draft policies to the Cabinet Member.

5. Financial Implications

- 5.1 The cost of updating the evidence base has been met jointly between Housing Services and Planning policy from within existing budgets. The cost of the NLP study update has also been reduced by working jointly with two other councils.

6. Strategic Plan Implications

- 6.1 The housing policies of the core strategy are important to the strategic plan priority to enable people to access a home that's right for them and to live independently which is a key priority for the current strategic plan. It is also consistent with the priorities of the emerging strategic plan 2012-2016 – "We'll work with others to provide access and choice to a range of market specialist and affordable homes that meet the needs of our existing and future residents".

7. Risk Management Issues

Risk	Likelihood/ Impact	Risk Category	Countermeasure	Responsibility
Housing Policies of the Core Strategy proposals are not supported by adequate evidence base	Medium/High	Strategic/Financial	Ensure completion of evidence base before agreeing draft Housing Policies of the Core Strategy and only include policies or proposals supported by the evidence	Housing Services Manager / Planning Policy

APPENDIX 1

CORE STRATEGY – AFFORDABLE HOUSING POLICY

MEMBER TASK GROUP

DRAFT TERMS OF REFERENCE / WORK PROGRAMME

Proposed Membership

Cllr Leytham (Chairman)

Cllr Isaacs

Cllr Mrs Arnold

Cllr Ms Perkins

1. Agree terms of reference
2. To consider and review the evidence base for the Core Strategy housing policies
 - Updated Strategic Housing Market Assessment
 - Updated housing needs Survey
 - Updated affordable housing viability study
2. To scrutinise the existing draft housing policies, including the affordable housing policy, having regard to the latest evidence.
3. To make recommendations to Cabinet Member regarding the emerging affordable housing policy and other housing policies of the core strategy