

Body:	Cabinet
Date:	13th July 2011
Subject:	Annual review of the Eastbourne Housing and Homelessness strategies and the Private Sector Renewal Policy
Report Of:	Ian Fitzpatrick, Senior Head of Service
Ward(s)	All
Purpose	<ul style="list-style-type: none"> • To advise Members of progress towards delivering the 2008-2013 Housing and Homelessness strategies. • To approve the Council taking forward a comprehensive revision of our approach to housing and homes, with a new strategy being in place by April 2013. • To approve the Private Housing Renewal Policy 2011-13.
Decision Type:	Key decision
Recommendation:	<p>Members are recommended to:</p> <ol style="list-style-type: none"> a) To note the progress towards delivering the Housing and Homelessness Strategies 2008 – 2013 b) To approve the Council taking forward a comprehensive revision of our approach to housing and homes, with a new approach being in place by April 2013. c) To approve the new Draft Private Housing Renewal Policy 2011-13 and the delegation of authority to the Senior Head of Communities, in conjunction with the Cabinet Portfolio holder for Housing and Community Development, to finalise the policy following consultation.
Contact:	<p>Ian Fitzpatrick, Senior Head of Service Telephone 01323 415935 or internally on extension 5935. E-mail address: ian.fitzpatrick@eastbourne.gov.uk</p>

1.0 Background/Introduction

- 1.1 The Council developed its current Housing and Homelessness Strategies in 2007-08 to guide and steer the Council's housing and homelessness work between 2008 and 2013. Two annual reviews have been produced. This report includes the third such review and summarises the achievements of the last twelve months highlights the challenges we have faced and continue to face in the future.
- 1.2 Between 2008 and 2011 the Council has had in place a Private Housing Renewal Policy that was supported by substantial sums of money allocated by the government, through the Government Office for the South East. This award was a result of an effective county wide partnership, the Brighton and

East Sussex Together (BEST) project. The funding for that programme came to an end in March 2011. A new Private Housing Renewal Policy is therefore needed to manage the delivery of this work to reflect the change in resources available to the Council.

2.0 Council Achievements

2.1 Despite the challenging economic climate we made a number of important achievements over the last year, all of which have helped contribute towards delivering the Council's Housing and Homelessness Strategies.

- Completion of 30 new council flats and houses, this first to be built in Eastbourne for more than 20 years.
- Completion of a new purpose-built Women's Refuge to provide safe, modern homes and all necessary support for women and children who have experienced domestic violence.
- Completion of remodelling work to transform one of the council's outdated sheltered housing schemes to create 18 high quality accessible homes for local older people.
- Continued success of our focussed Housing Options and Landlord Liaison service which prevented 375 vulnerable households from becoming homeless and as a result saw a 54% reduction in the number of households accepted as homeless (12 households), the lowest in the county.
- A 32% reduction in the number of homeless households in temporary accommodation (TA), with just 26 households in TA at 31st March 2011.
- Our selection by the government to lead a £120,000 project to reduce rough sleeping in East and West Sussex.
- The successful bid to attract £3.9m in government funding to improve our sheltered housing and non-traditional housing stock to the Decent Homes standard.
- 127 empty homes brought back into use.
- The delivery of 1,058 energy efficiency grants
- Reducing the time taken to process housing benefit claims to 18 days.
- Training for students in all local secondary schools so they can understand the realities of homelessness and plan ahead before they leave home.

2.2 Highlights of the three year housing renewal programme demonstrate the success of the wide ranging approach the Council has taken to improve the conditions of homes across Eastbourne.

- Eastbourne Borough Council was responsible for delivering a comprehensive energy efficiency programme across East Sussex as the lead authority in the East Sussex Energy Partnership. 3000 energy efficiency measures, including loft and cavity wall insulation and renewable technologies, have been delivered in Eastbourne. This not only helped reduce fuel poverty and improve living conditions for residents, it reduced the town's overall carbon dioxide (CO₂) emissions. Investment at the end of the three year programme is approaching £1.5m.
- 750 households have been helped through the Small Works Grants

jointly funded by Eastbourne Borough Council and East Sussex County Council and delivered by Eastbourne Care and Repair. Total investment in better homes through this scheme totals £150,000.

- 10 family homes have been brought back into use using Empty Property Grants.
- A dedicated full time Empty Property Officer has been employed and has contributed to over 350 properties being brought back into use over the three years - all helping to meet the need for more homes in Eastbourne.
- An Emergency Heating and Hot Water Repair Scheme has delivered 93 interventions at a cost of £38,000.
- 30 residents have been helped through Warm Front 'top-ups' to improve heating and energy efficiency at a cost of £34,000.
- £500,000 of Decent Homes Works has been spent on private housing, with improvements targeted at the most vulnerable residents in Eastbourne. 47 homes have been improved and moved towards meeting the Decent Homes Standard.
- The safety of 32 residents at risk of domestic violence has been improved through the Sanctuary Assistance Scheme at a cost of £55,000.
- Over 300 Disabled Facilities Grants, valued at £1,980,000 have been completed over the last three years.

3.0 Future Context – Housing Strategy, Homelessness Strategy and Private Housing Renewal Policy

3.1 Many things have changed since the Housing and Homelessness Strategies came into effect. The recession has had a major impact, particularly upon the incomes of many within our community, supply of new homes, the demand for housing and money advice and the ability of people to access and sustain a place to live. Over the last year there have been many changes in national policy affecting housing and homelessness.

- Wide ranging and long term welfare benefit changes which began to be implemented in April 2011. The overall impact of these changes is as yet unknown but for many claimants, their ability to pay for their accommodation may be reduced. Possible impacts include loss of homes due to rent arrears and households looking for smaller or less costly accommodation.
- The scaling back of the Mortgage Rescue Scheme that has until now provided a safety net for vulnerable households facing repossession of their homes. In addition, the first households to be affected by the two year limit on income support for mortgage interest, introduced in January 2009, will now be managing their mortgage commitments with no dedicated help for these costs from the welfare system.
- The Localism Bill, which sets out a number of fundamental changes to the way that affordable homes are funded, built, allocated and tenanted. This includes:
 - The Housing Revenue Account (HRA) subsidy system will be replaced in April 2012 by a system in which rental income from council owned homes will be retained by local authorities and used to fund all future management and maintenance of their housing stock and service any outstanding debts incurred in providing the homes in the past. This gives the Council greater freedom in the way it manages and develops its landlord role, both as a manager

- and as provider of new homes.
- Future government sourced capital funding for new homes will no longer be available, except in exceptional circumstances, for traditional social rented homes. In future, government support will only generally be available for a new type of housing 'Affordable Rent'. Rents will be set at similar levels to those in the private rented sector. This may affect the desirability of new homes and have an impact upon the ability of households to pay for their accommodation without recourse to housing benefit.
- Landlords in the social sector will now have the power to grant fixed term tenancies for existing as well as new social housing, ending the universal assumption of a social housing providing a home for life. This may impact upon the long term stability of communities and could lead to an increase in transitory households.
- The freedom for local authorities to set their own eligibility criteria for joining their housing register. This allows local authorities to tailor who gets priority for social housing to suit local needs and markets.
- The end of government funding for private housing renewal, with the exception of funding for Disabled Facilities Grants for those people needing help to adapt their home to meet needs arising primarily from physical disability.
- Proposed Legal Aid reforms could remove financial support for people on low incomes to pursue their legal rights in the fields of housing, welfare benefits and family law. This is likely to have a major impact upon local agencies such as the CAB and Brighton Housing Trust that rely upon Legal Aid funding to deliver many of their services.

3.2 There are also a number of new opportunities arising from both national policy direction and the joint working initiatives, additional resources and investment opportunities that we have been able to secure for Eastbourne and East Sussex.

- A modest increase in our funding for making Discretionary Housing Payments for people who need additional help to meet housing costs.
- A £120,000 grant to develop a consistent response to tackle rough sleeping across East and West Sussex.
- The New Homes Bonus which this year amounts to £187,000 and which has the potential to be used for regeneration.
- A £50,000 increase in the Homelessness Grant we have received from the government for 2011-12.
- The opportunity to bid to the government for grant funding to bring empty properties back into use.
- The prospect of using resources within the HRA to fund the development of new council homes under self financing.

3.3 As well as changes prompted by government, the wider housing system in Britain is evolving. One of the causes is the different approaches being adopted by financial institutions to making funding available to individuals to buy their own homes and uncertainty amongst developers on the capacity of the market to absorb new homes.

- Availability of mortgage finance is now increasingly limited to those buyers with substantial deposits to put towards the cost of their homes. This is excluding in particular many first time buyers from being able to buy a home. This is reducing the market for new homes, constraining development by builders, and driving up demand for rented housing. Over time, constrained mortgage supply is likely to make it harder for people to move to accommodate such things as increases in household size, relationship breakdown and employment changes.
- The overall supply of homes is not keeping pace with the growth in the number of households, leading to a rise in the cost of a home and to more people sharing accommodation.
- Rents in the private sector are rising at a faster rate than incomes, leading to increased financial pressure on households and reducing the amount of disposable income people have to spend on local services and goods.

3.3 The current Housing and Homelessness Strategies were developed within a different context from that which now prevails. For the council to move forward and adapt its work to this new environment, we must fully understand the consequences of policy changes across all aspects of Eastbourne's housing market, most of which have yet had time to make their impact felt. This will require collaboration and consultation with a wide range of partner agencies, community groups, housing developers and providers and local residents. The potential for evolving the Council's role as a landlord, arising from the forthcoming changes to the HRA, will also need to be considered, as the Council itself remains a major player in the local housing market.

3.4 Members are asked to approve the Council taking forward a comprehensive revision of our approach to housing and homes, to take effect from April 2013. The proposed time frame means that we will have an informed rather than purely speculative understanding of the medium and long term impact of policy changes introduced by government and the likely shape of housing focused investment and lending by the financial sector. We will then have in place a new approach to take us forward from April 2013 until the end of the decade and help us improve homes in Eastbourne.

3.5 It is proposed that this work begins in September 2011, with a structured Project Plan being developed and agreed between July and September. This Project Plan will include reporting on progress against the current overall outcomes set out in the current Housing Strategy and supporting documents, such as the Homelessness Strategy and building upon our already strong capacity to develop evidenced, pragmatic and proportionate responses to policy and market changes.

4.0 Private Housing Renewal Policy 2011-2013

4.1 Decisions taken in the Government's Autumn Comprehensive Spending Review in 2010, suggested that any allocation of resources for Councils across the country to deliver Housing Renewal in future years would be extremely unlikely. Along with other East Sussex housing authorities, Eastbourne administered a slowdown in its housing renewal activity to allow for funds to be carried over so that a programme of home improvement

interventions could be sustained beyond 2011. Prudent management has allowed a sum of £660,000 to be available to the Council for this work in future years. This will allow continued housing renewal activity for up to three years, from 2011 until 2014.

4.2 The new 2011-13 Private Housing Renewal Policy has been drafted to reflect both current economic climate and the reduced capital available to the Council. It has been structured to allow the Council to make effective use of the limited resources available to us for the next two years and to build upon the achievements during 2008-2011. A copy of the proposed policy is attached as Appendix A.

4.3 The new Policy incorporates improvements that take into account lessons learned over the last three years:

- Following the de-commissioning of Eastbourne Care and Repair at the end of March 2011 there is a new emphasis on delivering loans, where assistance required is in excess of £1,000, through the Council's partner organisation Parity Trust (formerly South Coast Moneyline). This partnership will continue to help in recycling available resources, improving houses to create healthy homes, ensure value for money as well as develop new voluntary sector partnerships.
- We will continue to explore further possibilities to improve housing standards, such as the well subscribed Landlord Accreditation scheme.
- We will consider the capacity and acceptability amongst local people for how we can most effectively develop equity release options.
- We will continue to make the most of initiatives such as the Government's Green Deal, with particular emphasis on improving the thermal efficiency of homes and reducing fuel poverty.

4.4 The Private Housing Renewal Programme for 2011-13 will build upon both our previous experiences and allow us to continue to help the most needy households, by focusing on:

- Targeted activity towards vulnerable households, in particular those in the older age brackets and on low incomes, to make their homes healthy, warm and secure.
- An easy access Small Works, Emergency Heating and Security Schemes
- Continued measures to improve energy efficiency, thermal comfort and reduce fuel poverty.
- Targeted use of resources to adapt inappropriate housing alongside the development of the new county-wide Housing Solutions Service to make sure that residents get the right advice and information to help them move to more suitable accommodation.
- Home Security and Sanctuary Schemes targeted towards vulnerable households including those at risk of homelessness due to fear of violence.
- Continued effective joint working with other agencies including for instance work with the East Sussex Fire and Rescue Service as part of their vulnerable household inspection programme to promote energy efficiency alongside fire safety.
- The continued development of loan/equity release options.

- A concentration of activities and resources to bring empty properties back in to use to both increase the choice of homes available and to maximise our income from the New Homes Bonus.

4.5 The new Private Housing Renewal Policy simplifies eligibility criteria for the different types of assistance offered, the types of assistance being offered by means of a grant and the types of assistance that will be administered as a loan. This will make the policy more client focussed and more cost effective to administer.

4.6 The proposed approach to Private Housing Renewal in Eastbourne for 2011-2013 will continue to provide an opportunity to target properties in need of improvements and security measures, help the elderly and disabled to stay in their own homes, improve accommodation in the private rented sector, bring empty properties back into use and help increase the resources available to the Council. It will also contribute through experience and intelligence gathered to the proposed new approach to housing and homes for Eastbourne, outlined above in Section 3 of this report.

5.0 Consultation

5.1 We will work closely with the Eastbourne Housing Forum and the Eastbourne Housing Partnership to develop our understanding of the concerns and priorities of partner agencies and to inform the future development of Eastbourne's approach to housing and homes. We will also work with other forums including Area Panels, the Eastbourne Seniors Forum and the Disability Involvement Group. We propose holding a series of inclusive housing conferences and open days and invite local agencies, community groups and individual residents to share with us their views on housing and homes in Eastbourne.

5.2 Consultation is taking place with the Private Housing Renewal Policy being made available on the Council's website. Copies have been shared with landlords attending our Landlords' Forum, the Eastbourne Housing Forum, Age Concern UK, the National Landlords' Association, BHT Eastbourne Advice, East Sussex County Council Occupational Therapists and the East Sussex Disability Association. Consultation will continue via the Council's website and through discussion with key stakeholders.

5.3 The Senior Head of Communities will ensure that the practice adopted since April 2011 of emergency only assistance and interventions being granted, will remain in force until the consultation for Private Housing Renewal Policy for 2011-2013 has been completed. Following completion of consultation, it is recommended that the new policy be finalised to account for any matters arising from the consultation process and signed off by the Senior Head of Community Services and the Cabinet Portfolio holder. This will allow the Council to speedily meet new service needs and manage budgets effectively.

6.0 Financial Implications

6.1 There are no direct financial implications arising out of this report

- 6.2 The impact of the welfare benefit reforms is likely to be significant. Whilst the increase in our Discretionary Housing Payment budget is welcome it represents approximately 4% of the total amount of housing benefit lost to local tenants as a result of these reforms. We must therefore work very closely with private landlords to allay their concerns and develop new ways of helping and supporting them to minimise the perceived risks associated with accommodating households on low incomes. The reductions in support for owner occupiers with reduced incomes is also of concern as this may translate into further increases in home repossessions.
- 6.3 We will carefully manage any additional resources and make sure we develop creative and prudent action plans to maximise our outcomes.

7.0 Staff implications

- 7.1 The current restructure of Housing Services will provide the capacity we require to develop and deliver our new approach to housing and homes.

8.0 Conclusion

- 8.1 The current Housing and Homelessness Strategies have delivered a number of significant achievements which have raised the council's profile as an effective and innovative authority. However, the challenges that face us in future years demand a new approach.
- 8.2 The preparation of a new approach to housing and homes will allow us to develop new solutions to respond to policy and economic changes whilst making sure we make the most effective use of all the resources that are available to us. The involvement of the community in the development of this new approach will make our future services robust, inclusive and effective in meeting the needs of local people and their families.
- 8.3 The new Private Housing Renewal Policy allows us to continue our service to improve the homes of people living in the private sector in Eastbourne.

Ian Fitzpatrick
Senior Head of Community

Background Papers:

Housing Update Cabinet report July 2010

Housing and Homelessness Strategy reviews June 2011 (2) pre-agenda.doc