

Committee:	Executive	Agenda Item No.:	8.
Date:	10 th December 2012	Status	Open
Category	Key decision included in Forward Plan		
Subject:	Strategic Housing Market Assessment and Housing Strategy Update		
Report by:	Housing Strategy and Enabling Manager		
Other Officers Involved	Head of Housing Planning Policy Manager		
Director	Director of Development		
Relevant Portfolio Holder	Councillor A. Tomlinson, Portfolio Holder for Regeneration		

RELEVANT CORPORATE AIMS

COMMUNITY SAFETY – Ensuring that communities are safe and secure
CUSTOMER FOCUSED SERVICES – Providing excellent customer focused services
ENVIRONMENT – Promoting and enhancing a clear and sustainable environment
REGENERATION – Developing healthy, prosperous and sustainable communities
SOCIAL INCLUSION – Promoting fairness, equality and lifelong learning.
STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation.

It is anticipated that the Housing Strategy will be a high level strategic document, with links to a number of service areas within the Council, including Housing Services, Environmental Health, Planning Services and Regeneration. As such, the strategy will support the delivery of a number of the Council's corporate aims.

Having up to date housing needs information will allow the Council to a Housing Strategy which reflects the needs of our communities and targets resources effectively.

TARGETS

N/a

VALUE FOR MONEY

This report proposes a joint approach to assessing the District's housing market, which will enable efficiency savings to be made. Production of a housing strategy and up-to-date housing market information will allow the Council to target its resources effectively and make informed strategic investment decisions.

THE REPORT

Strategic Housing Market Assessment

- 1.1 The 2012 Scrutiny Review on the *Demand for Housing in Bolsover District* highlighted the importance of having accurate information on the District's housing market. The review noted that it's 'essential that the Authority achieve a good understanding of the local housing market to be able to ensure that housing is built that the community really needs and to bring about positive outcomes'. This is reflected in recommendation 5 of the review, which is to **'carry out a regular survey and assessment of housing demand and need; establish a reliable data gathering and cleansing process'**.
- 1.2 Assessing current and future housing need and demand is an important local authority function, as set out in legislation. The last assessment of the District's housing market was completed in 2007 through a joint Strategic Housing Market Assessment (SHMA). This is now at the end of its life and no longer provides robust evidence to inform strategy, policy and planning decisions.
- 1.3 To take account of this, Planning Services recently commissioned a desktop review of the 2007 SHMA. While this provided an update to inform Local Plan development, the review highlighted the importance of undertaking a new SHMA in 2012, to fully update housing needs and market data and present an accurate picture of the District's housing market and the issues it faces.
- 1.4 The production of a Strategic Housing Market Assessment continues to be a requirement under the National Planning Policy Framework. This states that: *'Local planning authorities should have a clear understanding of housing requirements in their area. They should:*

Prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing requirements, working with neighbouring authorities where housing market areas cross administrative boundaries. The SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to require over the plan period which:
 - *meets household and population projections, taking account of migration and demographic change;*
 - *addresses the need for all types of housing, including affordable housing, and the needs of different groups in the community; and*
 - *caters for housing demand and the scale of housing supply necessary to meet this demand.'*
- 1.5 The value of strategic housing market assessments is in assisting policy and strategy development, decision making and resource allocation processes by:

- enabling local authorities to think spatially about the nature and influence of the housing markets in respect to their local area;
- providing robust evidence to inform policies aimed at providing the right mix of housing across the whole housing market – both market and affordable housing;
- providing evidence to inform policies about the level of housing required, including the need for different sizes and types of housing;
- supporting authorities to develop a strategic approach to housing through consideration of housing need and demand in all housing sectors – owner occupied, private rented and affordable – and assessment of the key drivers and relationships within the housing market;
- drawing together the bulk of the evidence required for local authorities to appraise strategic housing options including social housing allocation priorities, the role of intermediate housing products, stock renewal, conversion, demolition and transfer; and
- ensuring the most appropriate and cost-effective use of public funds.

- 1.6 There are planning risks associated with not having current and robust housing market and needs information. In any request for contributions under section 106 agreements or under condition, the Council must be able to demonstrate the housing need to meet the planning test. Without up-to-date and robust data the Council risks not being able to achieve any affordable housing on schemes. There is already some evidence of the Council being challenged in relation to its housing needs evidence as the existing SHMA is now widely recognised as being outdated.
- 1.7 As the 2007 SHMA is now out of date and is no longer considered to provide a clear understanding of the area's housing market, the local authorities within the North Derbyshire and Bassetlaw Housing Market Area are looking to complete a joint Strategic Housing Market Assessment. Undertaking this work jointly recognises the cross-boundary nature of housing markets, and allows the councils involved to draw efficiency savings from joint procurement and commissioning.
- 1.8 Due to the technical nature of undertaking SHMAs, as set out within the Government's Strategic Housing Market Assessments Practice Guidance (2007), this is not a piece of work that can be undertaken in-house with current staff levels and expertise. Based on previous commissions, it is anticipated that the cost of undertaking the SHMA will be in the region of £25,000, however this cost may be lower should all councils in the HMA decide to take part.

Housing Strategy

- 1.9 The Local Government Act 2003 places a requirement on local authorities to develop a housing strategy, setting out the vision for all

housing in its area and the priorities for housing and housing-related services in the district.

- 1.10 In 2008, the four authorities within the North Derbyshire and Bassetlaw Housing Market Area (HMA) commissioned a joint housing strategy. This strategy aligned the work of the authorities, and was designed to complement the Homes and Communities Agency's requirement for a Local Investment Plan, helping the partnership to draw down funding.
- 1.11 The North Derbyshire and Bassetlaw Housing Strategy expires in 2012, and while the partnership continues to work collaboratively it is felt that a joint strategy is no longer the best approach for the councils. This was formally agreed at the HMA's Executive Sounding Board in September 2012. The production of a new local housing strategy for Bolsover is therefore a key priority for Strategic Housing.
- 1.12 The new local housing strategy will be an overarching document which sets out the priorities for housing within the District, pulling together all aspects of the Council's housing activities. The strategy will cover all tenures and will provide a framework for future work and investment decisions.
- 1.13 To do this effectively the strategy will need to take account of the recent changes in national and local policy, including the welfare and social housing reforms, and the restructuring within the housing market caused by the economic recession. To understand how these have impacted locally, robust and up to date housing market and housing needs information is needed so that the Council can respond to local challenges in the housing market and the opportunities and threats brought about by the housing and welfare reforms.
- 1.14 The strategy will be developed through a collaborative approach, involving staff from across the Council. It is intended that the existing Housing Officers Project Group will oversee the production of the strategy, with a further cross-council working group being established as the project team.
- 1.15 Consultation will be an important element of the project work. This will include consultation with elected members, local residents, and partner organisations with a role in the strategy's delivery. The Council's User Engagement Officer will be asked to support with the development of a suitable consultation plan. It is important that the timescales for producing the strategy allow sufficient time for this element of the strategy's development.

ISSUES/OPTIONS FOR CONSIDERATION

- 1.16 The need to deliver a SHMA is timely for the production of the Council's new local housing strategy. It will allow the housing strategy to be based on up-to-date and accurate information, and will provide the

opportunity for the Council to gather data on the wider housing market and needs of its residents, such as the impact of the welfare reforms, and the demand for newly prioritised government initiatives, such as custom build. It will also enable the Council to make investment decisions with confidence, as they will be supported by robust and current data on housing need and demand. It is therefore proposed that work to produce a local housing strategy is aligned with the schedule for completing the Strategic Housing Market Assessment, allowing the SHMA findings to inform the strategy's development.

- 1.17 A detailed project plan will follow, however the indicative programme of work is as follows:

Gain agreement to commission the SHMA from Executive	10 th December 2012
Circulate/publish SHMA tender	Prior to Christmas 2012
Deadline for submissions	Around the 20 th January 2012
Appointment of consultant	Early February 2013
Estimated SHMA project end date	June 2013
Estimated Housing Strategy sign-off	March 2014

The completion date for the housing strategy has been estimated to allow time for the draft and final strategy to go through the formal approval channels, and to allow time for consultation. This may be amended when a detailed project plan has been developed and when timescales for the SHMA's production have been agreed.

IMPLICATIONS

Financial: The cost of undertaking a SHMA is expected to be in the region of £25,000. The funding for this can be met within existing budgets from previous Planning Delivery Grant which has been set aside for this assessment.

Legal: There remains a statutory requirement to assess the District's housing market and identify housing priorities based on this information. The lack of up to date information could open up the future housing strategy to scrutiny and challenge. Robust and housing needs data is also urgently required to support the planning function and ensure that the Council can maximise the delivery of affordable housing.

Human Resources: A project team will be needed to work with the appointed consultants and ensure delivery of the brief. This can be done within current staff resources.

RECOMMENDATIONS

That Executive

- 1. agree to the commissioning of a Strategic Housing Market Assessment, in partnership with HMA partners, to support housing strategy and planning delivery;**
- 2. agree the use of circa £25,000 of Planning Delivery Grant to fund the assessment; and**
- 3. note that production of the local housing strategy will be aligned to allow the strategy to reflect the findings of the Strategic Housing Market Assessment.**

REASON FOR DECISION TO BE GIVEN IN ACCORDANCE WITH THE CONSTITUTION

The joint North Derbyshire and Bassetlaw Housing Strategy expires in 2012 and it is important that the Council has in place a Strategy which provides the framework for delivering housing and housing related services in the district. In order that this strategy is robust and can stand up to scrutiny, it needs to be based on robust housing market and needs information, which is also required to support planning decisions.

ATTACHMENTS: **N**
FILE REFERENCE:
SOURCE DOCUMENT: