

Cabinet Decision 6 th September 2016	
Report of: Corporate Director Development & Renewal	Classification: Unrestricted
Housing Strategy 2016 - 2021	

Lead Member	Councillor Rachel Blake Councillor Siraj Islam
Originating Officers	Martin Ling – Housing Strategy Manager
Wards affected	All
Community Plan Theme	One Tower Hamlets
Key Decision?	No

1. **EXECUTIVE SUMMARY**

- 1.1 The Council's last Housing Strategy ran from 2009 to 2012 and has not been updated since. Under article 4a – Policy Framework of the Council's Constitution, the Housing Strategy is listed as a discretionary strategy which if produced must be approved by the Council.
- 1.2 The Mayor agreed that the Council should work towards the development of a comprehensive Housing Strategy in 2016. A programme of consultation was launched on Monday 16th May 2016 with an article in *East End Life* by Mayor John Biggs setting out his concerns with regard to the measures contained in the Housing and Planning Act 2016 and informing residents that the Council will respond by developing a new Housing Strategy. The first stage consultation ran from 16th May to 31st July 2016. A second stage of consultation will run from September 16th to October 10th 2016.
- 1.3 The Strategy will need to have regard to the duties placed upon the Council by the Housing and Planning Act 2016. In addition it will need to respond to the housing priorities of the new Mayor of London, elected in May 2016. The Council is not statutorily required to have a Housing Strategy but if it chooses to do so it must have regard to Section 333D of the Greater London Authority Act 1999 which requires that any local housing strategy prepared by the Council must be in general conformity with the London Housing Strategy.
- 1.4 The Housing Strategy will be taken to full Council for approval in November 2016. This report sets out progress to date on producing the Housing Strategy, the outcomes of the first stage of consultation, proposals for the second stage of consultation and a suite of documents for approval which will form the basis of the consultation.

2. RECOMMENDATIONS

- To approve the draft Housing Strategy and attached appendices for consultation.
- To note the responses to the 1st stage consultation
- To note the arrangements for the second stage consultation

2.1 REASONS FOR THE DECISIONS

To take forward the development of the Housing Strategy within the agreed timetable.

2.2 ALTERNATIVE OPTIONS

The Mayor could decide not to take forward an overarching Housing Strategy but produce statutory documents and other stand alone housing policies.

3. BACKGROUND

At present the Council has the following housing and policy statements:

Allocations Scheme (statutory)	Approved 2013
Tenancy Strategy (statutory)	Approved 2013
Homelessness Statement 2013 /17	Approved 2013
Older Persons Housing Statement 2013 /15	Approved 2013
Overcrowding and Underoccupation Plan	Approved April 2016
Private Sector Renewal Policy	Approved April 2016

3.1 Statutory Documents

As part of the process of producing a new Housing Strategy the Council will need to update its statutory documents. The revisions to the allocations scheme and tenancy strategy will be updated separately and will be taken to Cabinet for approval.

The Allocations scheme is programmed to go to Cabinet on the 4th October and the proposals are summarised in section 5.1 of the second stage consultation at Appendix 1.

Conditions with regard to the Tenancy Strategy will be subject to regulations provided by the Secretary of State as set out in the Housing and Planning Act 2016 and will be brought forward in advance of the implementation date which is expected to be April 1st 2017.

3.2 Other relevant Housing documents

In addition to the above reports, the Medium Term Housing Revenue Account (HRA) Financial Plan, proposals for the development of a Housing Company and Fuel Poverty Strategy will also be taken to Cabinet separately and programmed accordingly.

- 3.3 All other policy areas will be updated following the consultation process and incorporated into an overarching housing strategy with links to fuller documents as appendices where appropriate. It is intended to produce a separate Homelessness Policy and a separate Private Rented Sector Policy. Draft documents which will form part of the second stage of the consultation process are attached at Appendix 2 and 3.
- 3.4 The Housing Strategy, will need to be mindful of other strategic plans produced by the Council including:
- The Community Plan
 - The Strategic Plan
 - The Local Plan
 - The proposed Growth Strategy.

Commissioning Strategies relating to vulnerable adults:

- Hostels Plan
- Sheltered Housing Plan
- Accommodation Strategy for people with Learning Disabilities.

Other corporate documents including:

- Health and Wellbeing / Better Care Fund
- Children and Families Plan.

4. Progress to date and next stages

- 4.1 As set out above, the Council has embarked upon a six month programme to develop a new Housing Strategy.
- 4.2 The programme was launched on Monday 16th May 2016 with an article in *East End Life* by Mayor John Biggs setting out his concerns with regard to the measures contained in the Housing and Planning Act 2016 and informing residents that the Council will respond by developing a new Housing Strategy.
- 4.3 The first stage consultation (16th May 2016 – 31st July 2016) comprised publication of:
- An online survey for respondents to complete (comprising a short and a long survey, seeking people's opinions and comments on issues that were identified as important to the borough's new housing strategy)
 - A housing strategy challenges and options paper
 - Internal and external partner consultation programme
 - Resident engagement programme.

The first stage consultation was both successful and informative with a total of 15 public engagements, 10 internal and partner meetings including an all Member seminar and over 400 surveys completed by the public. Several strong messages emerged including:

- Major concern over the shortage of affordable housing in the borough and concern that future rents set by the Council and housing associations will force people out of the borough
- Lack of housing choices for young people brought up , living and working in the borough meaning many on average incomes will be forced to stay at home, move out or pay high rents in poor quality private rented housing
- Support for the development of 'living rent' homes for this group at sub market levels on new build schemes developed on council estates
- Concern over population growth, impact on the environment and green spaces and whether vital infrastructure including schools, health centres and transport links will be developed to match the needs of the population
- General support for the Council's approach to meeting housing need and homelessness through prioritisation of households in most need and a comprehensive advice service.

A link to the online survey and related papers can be viewed here:

www.towerhamlets.gov.uk/housingstrategy2016

A full report on the first stage consultation is attached at Appendix 4

4.4 The second stage consultation (16th September 2016 – 10th October 2016) comprises publication of:

- A detailed draft housing strategy document with a proposed action plan.
- Draft outline 'daughter' documents of the strategy as set out above:

Appendix 2 – Draft 2016-21 Homelessness Strategy

Appendix 3 – Draft 2016-21 Private Sector Housing Strategy

4.5 These are outline documents which set out the council's proposed approach to these two important agendas and will be fully developed further into policy papers following the second stage consultation. There is also a Housing Evidence Base document which will accompany these documents but are not included with these papers.

4.6 These documents will be placed on the website and sent to all partner organisations across the Borough and the region asking for final comments by Monday 10th October.

In total the consultation period will have lasted 16 weeks through the two stages. In addition to seeking comments on the consultation document, a further series of meeting with partners and representative groups will take place and a housing conference will be held on Saturday 1st October 2016.

A further report will then be brought to Cabinet on Tuesday 1st November prior to being placed on the agenda for full Council for consideration on Wednesday 16th November 2016, subject to the report not being called in under Section 16.2 of the Council's constitution.

5. KEY ISSUES FOR CONSIDERATION

5.1 The changes in the housing market, pressure on affordability and the impact of the Housing and Planning Act 2016 will all place constraints on the how the Council can respond to the significant challenges ahead with limited resources. Consequently there are difficult choices to make. Set out below are some of the key priorities that Members may wish to consider at this stage regarding development of the Housing Strategy:

- Maximising affordable housing building from all sources of housing supply, with a focus on the borough's three opportunity areas.
- Agreeing how best to allocate homes balancing different needs including reducing the number of families in high cost temporary accommodation both inside and outside the Borough.
- Exploring the merits of creating a Social Lettings Agency that can help offer more housing options for homeless people and others in housing need.
- Setting up a housing company to deliver new homes both inside and outside the borough.
- Exploring the merits of the council buying or developing its own hotel to meet emergency housing needs and to develop directly, or in partnership with Registered Providers, a portfolio of temporary accommodation for homeless households.
- Developing a comprehensive approach to improving conditions in the private rented sector.
- Continuing to develop effective partnership working relationships with Tower Hamlets Homes, housing association and voluntary sector partners, residents and other stakeholders.

6. COMMENTS OF THE CHIEF FINANCIAL OFFICER

6.1 This report provides an update to the Mayor in Cabinet on the consultation that has been undertaken to date on the draft Housing Strategy for 2016 to 2021, and seeks approval for a second phase of consultation to commence in September on the Strategy and supporting documents that are included in the appendices to this report (the Draft Housing Strategy, the Outline Draft Homelessness Strategy and the Private Sector Housing Strategy).

6.2 The Housing Strategy contains various policies and statements setting out a range of activities and priorities for the council and key partners that will provide a clear focus for ensuring that available resources are targeted to and in line with these needs. The individual statements that have previously been approved are itemised in paragraph 3 above and have all been considered separately by Cabinet.

- 6.3 The implementation of the various elements of the strategy will be subject to the availability of funding and further reports assessing the financial impact of individual proposals will be submitted to the Mayor in Cabinet. Delivery of the strategy will be extremely challenging in the current economic climate, particularly in view of the uncertainty surrounding the implications of the recently enacted Housing and Planning Act where much of the financial detail will only become clear when secondary legislation is published over the coming months. The strategy will require a co-ordinated approach and alignment of funding from all major partners, and will also require that best value is obtained from limited sources of external funding, given that the council's mainstream resources to support the strategy are extremely limited.
- 6.4 The costs of preparation and consultation on the Housing Strategy and its constituent elements are being met from within existing revenue resources.

7. LEGAL COMMENTS

- 7.1 The Housing Act 1985 (s.8) requires local housing authorities to consider housing conditions in their area and the needs of their area with respect to the provision of further housing accommodation. The draft strategy addresses these issues. Pursuant to section 9 of the Housing Act 1985, the Council may provide housing accommodation by acquiring or erecting houses. Under the council's constitution the Housing Strategy is a policy framework document that requires approval/adoption by full council.
- 7.2 Pursuant to S.333D of the Greater London Authority Act 1999, the council is required to have regard to the London Housing strategy when preparing its strategy. The council's Housing Strategy must also be in general conformity with the London Housing Strategy
- 7.3 The Council is required to comply with the requirements of Part VI of the Housing Act 1996 when allocating housing accommodation. Section 166A of the Housing Act requires the Council to have a scheme for determining priorities and the procedures to be followed in allocating housing accommodation. The Council is required to allocate housing in accordance with the allocation scheme. The scheme must secure that reasonable preference is given to people in overcrowded housing, along with other categories of people in urgent housing need and may also give them additional preference. The Council's allocation scheme reflects these requirements.
- 7.3 Section 179 of the Housing Act 1996 requires the Council to provide free advice and assistance in Tower Hamlets about homelessness and the prevention of homelessness. It is reasonable, generally, for the Council to seek to prevent homelessness, having regard to its obligations under Part VII of the Housing Act 1996 to provide accommodation to homeless persons and the resources available to it to meet housing needs.
- 7.4 The council may rely on the General power of competence in S.1 of the Localism Act 2011 to set up housing companies, including for a commercial purpose, subject to limitations contained in the Act.

- 7.5 When carrying out its functions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). A proportionate level of equality analysis is required to discharge the duty and information relevant to this is contained in the One Tower Hamlets section of the report

8. ONE TOWER HAMLETS CONSIDERATIONS

- 8.1 An initial Equality Assurance Checklist has been completed which does not identify any adverse impact of the draft proposals on the equality groups of the nine protected characteristics. A full assessment of individual policies such as the Allocations Scheme and Homelessness Strategy will be carried out and if any potential negative impacts are identified mitigating actions will be identified accordingly.
- 8.2 Respondents to the consultation on the Housing Strategy 2016 – 2021 document have been requested to be mindful of the duty placed upon the Council in relation to 2010 Equalities Act and are asked to identify any potential impacts of the proposals contained in this document on the equality groups accordingly. A full Equality impact Assessment will be carried out and presented to the Council for consideration when the final Strategy document is taken forward for approval in November 2016.

9. BEST VALUE (BV) IMPLICATIONS

- 9.1 The proposals set out in Housing Strategy will be required to align with the Council's Best Value Duty.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 The Housing Strategy will have implications for sustainable actions for a greener environment and these will be considered within its development.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 The proposals set out in the Housing Strategy will carry risks for the Council. Each action is separately monitored and subject to local risk management conditions by either the Council or its partners.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 Well managed housing in secure neighbourhoods can contribute to the Council's ability to reduce crime and disorder in the borough. The Council works with its housing association partners and the police to tackle anti-social behaviour at an estate level and the development of further partnership through the delivery of the Housing Strategy will assist in taking forward this objective.

13. SAFEGUARDING IMPLICATIONS

13.1 Not applicable.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1: Draft 2016-21 Housing Strategy
- Appendix 2: Outline Draft 2016-21 Homelessness Strategy
- Appendix 3: Outline Draft 2016-21 Private Sector Housing Strategy
- Appendix 4: First Stage Consultation Report

- **Officer contact details for documents:**
- n/a

- **Originating Officers and Contact Details**

Name	Title	Contact for information
Martin Ling	Housing Strategy Manager	020 7364 0469