

These minutes are draft subject to confirmation at the next meeting of the sub-committee

Housing Sub-Committee

25 January 2016

Present: Councillor S Cox (Chair)
Councillors A Arkle, L Darke, John Hunter, M Madden, P Mason, A Newman, P Oliver, M Thirlaway and J Walker.

H033/01/16 Apologies

Apologies for absence were received from Councillors A Austin and D Drummond.

H034/01/16 Substitute Members

There were no substitute members appointed.

H035/01/16 Declarations of Interest

There were no declarations of interest or dispensations reported.

H036/01/16 Minutes

Resolved that the minutes of the meeting held on 30 November 2015 be confirmed and signed by the Chair, subject to the addition of Councillors M Madden, P Mason and A Newman in the attendance list and the deletion of Councillor P Oliver and M Green.

H037/01/16 Housing Revenue Account Business Plan

The sub-committee received a report and presentation which provided an update on the Housing Revenue Account (HRA) Business Plan. Cabinet had issued its draft proposals for the HRA budget on 7 December 2015, with these proposals finalised by Cabinet at its meeting on 14 January 2016. It was noted that the Welfare Reform and Work Bill and the Housing and Planning Bill, both currently going through Parliament, would bring more policy changes within Housing.

Members were informed that some of the proposed changes, which included rent reductions, pay to stay and the sale of 'high value' vacant council housing, would come into effect from April 2016, whilst others would follow via statutory instruments over the next year. It was noted that all the changes would present significant challenges to the delivery of the housing service.

The sub-committee was informed of the current housing income, generated from rent collected and PFI credits and how this resource was distributed across the total housing expenditure. A table in the presentation demonstrated the impact of the 1% rent reduction over the 30 Year Business Plan, with the projected income set against the projected income following the Summer Budget. The projected variance over the following 4 years equalled £26.9m, with an overall shortfall of £425m over the 30 years.

Members were informed of some of the revenue efficiencies that had been identified to mitigate the projected variance within the Business Plan. This included a re-design of the

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service so that there could be a greater focus on rental income. Legislative changes to Housing Benefit payments have meant a much greater role for the authority in collecting rent. It was noted that in order to achieve this, there needed to be a better understanding of household finances and the support people required to manage budgets. A further revenue efficiency highlighted was the reduction of management costs.

The sub-committee looked at the changes that had been made to the Capital Plan, which had a total reduction of £228m. It was explained that the areas targeted had been carefully chosen and would be where tenants would feel the least impact. A change in the roof covering replacement cycle, from 60 years to 70 years, made a reduction in the plan of £22m. A further reduction of £61m was made by moving the start date for Non Decent Homes Standard work to deal with plasterwork, doors, architraves and skirting from 2023 to 2031. It was summarised that, over the 30 years of the plan, revenue had been reduced by £90m, the Capital Plan by £228m and new build reduced by £107m. These reductions in total accounted for the £425m shortfall due to the 1% rent reduction.

Members of the sub-committee were signposted to the Cabinet report (of 14 January 2016) which provided further information including a summary of all revenue efficiencies, the HRA revenue budget 2016-19 and HRA Capital Investment Plan 2016-20. Members were also invited to contact the team if they had any further queries which they wished to raise.

It was **agreed** to note the report and presentation on the HRA Business Plan.

HO38/01/16 Strategic Housing Market Assessment

The sub-committee received a report which outlined the findings of the 2014 Strategic Housing Market Assessment (SHMA) and provided facts and figures on the current and future demand for housing, the housing market in general and identified market trends. Members were informed that it was a legal requirement of all local authorities that they assess the full housing needs of their area; identify the scale and mix of housing and range of tenures which meet household and population projections.

The 2014 SHMA comprised of a major household survey that was completed by 3,363 households (representing a 14.8% response rate), an online survey of stakeholders (along with some telephone interviews) to gather views on the current housing market and the key strategic housing issues, a Housing Market Partnership and a review of existing (secondary) data.

Some of the key findings of the SHMA included:

- North Tyneside has an ageing population with projections suggesting that residents aged 65 or older will increase by 23,000 between 2012 and 2037 from 36,900 to 59,900.
- Historically, house prices in North Tyneside had been above the average price in the Tyne and Wear area. The average price in North Tyneside remains below the national average. House prices in the borough increased dramatically (by 218%) between 1996 and 2014 resulting in the average price of a property in North Tyneside in 2014 being established as £144,500 with a lower quartile price of £97,500.
- According to the 2011 Census there were a total of 94,528 dwellings in North Tyneside. The number of dwellings had risen to 95,750 in 2014.
- Statistics showed that more people expected to move into a one or two bed property (17.8%) than are currently available (13.4% of stock). The same applied to bungalows where they account for 7.2% of the stock but 13.8% of movers expect

this property type. This suggested an undersupply of one and two bedroom homes and bungalows in the borough. It was recommended that future development focus on addressing this to reflect the identified household aspirations in North Tyneside.

Members were informed that, over the past four years, 425 homes per year had been introduced in North Tyneside. Through the Local Plan plans had been put in place to support an increase in housing development and enable a required level of new homes to be achieved. Over the 15 year lifespan of the Local Plan there is potential to deliver an average of 1,092 dwellings per year. In order to ensure housing needs are met in North Tyneside, now and in the future, the SHMA considered evidence to determine the Objectively Assessed Housing Need. This demonstrated 17,388 additional homes would need to be developed between 2011/12 and 2031/32, at an average of 828 new homes per year. This figure was based upon projected population and job growth in the borough and would address any backlog in demand in previous years.

The findings of the SHMA had established the mix of affordable and market homes required in North Tyneside and used to inform the development of the Affordable Homes Policy. Evidence suggested that 25% of all relevant development sites in the borough should be allocated for affordable housing. Further evidence showed that, of this 25%, 75% should be designated for affordable rent and 25% as intermediate products, such as shared ownership. The SHMA had recently been used to help inform the development of the Local Plan Pre-Submission Draft 2015 and was currently being used to inform the development of North Tyneside Council's Housing Strategy for 2016-2021.

Members commented that the houses in demand, i.e. one to two bed homes, were not priority homes for many developers and asked if developers were aware of the outcomes of the SHMA and the demand for smaller properties. It was confirmed that the SHMA was a public document which developers had access to and that the Council only had an influence on large developments where 25% had to be affordable housing. The sub-committee voiced frustration at the time it could take developers to begin developments once planning permission had been granted. It was noted that if work had not begun on the development within 5 years of permission being granted, a further planning application would need to be submitted.

It was **agreed** to note the findings of the Strategic Housing Market Assessment.

HO39/01/16 Crime and Disorder Priorities

The sub-committee received a report which outlined its role in relation to scrutinising crime and disorder issues and contained information to help the sub-committee prepare for a meeting with the Police and Crime Commissioner (PCC).

Members were reminded that the Housing sub-committee had been designated as the Council's crime and disorder committee and were required to meet once a year to consider crime and disorder issues. The meeting of the sub-committee scheduled for 22 February 2016 had been set aside for this purpose. The Police and Crime Commissioner, Vera Baird, had been invited to attend the meeting (on 22 February 2016) to give an update on the delivery of the 2013-18 Police and Crime Plan. Representatives of Safer North Tyneside will also be in attendance at the meeting in February to provide an update on the delivery of the priorities in the Community Safety Strategy. The sub-committee was informed that the meeting would provide the opportunity to review and scrutinise the work of the PCC and the Safer North Tyneside Partnership.

The report contained background information in relation to the role of the PCC. It was noted that they were elected to make sure that local police meet the needs of the community, be the voice of the people and hold the police to account. The role of the PCC included securing an efficient and effective police for their area, setting the force budget and determining the precept and bringing together community safety and criminal justice partners, to make sure local priorities are joined up. It was highlighted that the Northumbria Police and Crime Panel scrutinise the work of the PCC by acting as a critical friend – assisting through independent challenge. The Panel consists of 2 councillors from each of the 6 local authorities in the Northumbria area plus 2 independent members

It was noted that, due to the vast area covered by the Police and Crime Plan and the wide range of issues that encompass crime and disorder, it was worthwhile to prepare in advance some key issues to be discussed with the PCC. The Police and Crime Plan 2013-18 was appended to the report to help identify priority areas. Members were also invited to draw on experiences of undertaking ward work which had highlighted particular crime and disorder issues known to be of concern. The sub-committee was encouraged to select topics that are strategic and impact on a wide range of people rather than isolated examples of crime and disorder. During discussion the following 3 points were highlighted as priority issues to be raised at the meeting with the PCC:

- Parking enforcement – Members raised several instances where problems had occurred from caravans or large vans parking on footpaths blocking access to homes. It seemed to be unclear who was responsible for dealing with this issue – Highways Agency, Police or the Local Authority and the approach to resolving the problem seemed inconsistent. Members felt it would be useful to seek clarity on this issue.
- Burglary – the sub-committee raised the issue of capacity to respond to crime and whether the police attended all reported cases of burglary. Members thought it was important to look at current burglary statistics and the police response to them.
- Police Community Support Officers and neighbourhood policing – to discuss whether the same level of community support officers will be retained and if this will have an impact on neighbourhood policing.

It was **agreed** to note the report and highlight the points set out above with the Police and Crime Commissioner at the sub-committee meeting on 22 February 2016.