



**CABINET**

**21<sup>ST</sup> JANUARY 2016**

**AGENDA ITEM (7)**

**NOTICE OF MOTION - SOCIAL HOUSING**

<b>Accountable Member</b>	Councillor Sue Jepson Cabinet Member for Planning and Housing
<b>Accountable Officer</b>	Philippa Lowe Head of Planning and Strategic Housing 01285 623000 <a href="mailto:philippa.lowe@cotswold.gov.uk">philippa.lowe@cotswold.gov.uk</a>
<b>Purpose of Report</b>	To provide the Cabinet with information in respect of the Motion submitted to the Council on 15 <sup>th</sup> December 2015 in relation to social housing provision.
<b>Recommendation(s)</b>	<b>That the Cabinet considers the Motion and agrees a way forward.</b>
<b>Reason(s) for Recommendation(s)</b>	The Motion stood referred to the Cabinet for consideration and decision
<b>Ward(s) Affected</b>	All
<b>Key Decision</b>	No
<b>Recommendation to Council</b>	No
<b>Financial Implications</b>	None in relation to this specific report
<b>Legal and Human Rights Implications</b>	None in relation to this specific report
<b>Environmental and Sustainability Implications</b>	None in relation to this specific report
<b>Human Resource Implications</b>	None in relation to this specific report
<b>Key Risks</b>	None in relation to this specific report
<b>Equalities Analysis</b>	Not required
<b>Related Decisions</b>	Notice of Motion - Council Meeting, 15 <sup>th</sup> December 2015

<b>Background Documents</b>	None
<b>Appendices</b>	None

<b>Performance Management Follow Up</b>	Implement any Cabinet decision(s)
<b>Options for Joint Working</b>	Not applicable in relation to this specific item

## Background Information

### 1. General

1.1 At the Meeting of the Council held on 15<sup>th</sup> December 2015, the following Motion was Proposed by Councillor JA Harris and Seconded by Councillor PCB Coleman:-

'This Council notes:

- the Government's proposal to extend the Right to Buy scheme to Housing Association tenants, to be paid for by a forced sell off of the most expensive Social Housing stock;
- with alarm, the shortage of affordable rented homes in the Cotswolds with over 1300 households on our Council's housing waiting list and is very concerned that the Housing and Planning Bill risks making matters worse;
- the LGA "First 100 Days" campaign which highlighted there are 1.7 million households on waiting lists for affordable housing across England and that more than 3.4 million adults between 20 and 34 live with their parents.

Council opposes the forced sell off of social rented housing to pay for this plan and is concerned that the Government also:

- fails to address the situation for many local authorities which no longer have any housing stock to sell as they have transferred theirs to housing associations;
- fails to address the situation in areas of high housing demand where there are often few suitable sites to build replacement social housing stock;
- fails to recognise that this means housing associations will simply be trying to catch up with replacing homes rather than building affordable housing to give more people homes they need.

Council recognises the desire by many to own their own homes, and suggests that a "Rent to Own" model and Shared Ownership housing would represent a better way of reaching this goal.

Council also regrets the following decisions of the Government that will reduce the amount of good quality social housing for rent to local families:

- the decision that 200,000 out of 275,000 "affordable homes" to be built in this parliament are to be for sale at a price of up to £250,000 and therefore only 75,000 will be built for rent - this means many local families will not be able afford these new "affordable homes".
- that a tax will be imposed by the Government on the rents of council tenants to fund discounts for housing association tenants who are rich enough to buy their properties - taxing families on the lowest incomes to fund discounts for people who may well be much better off.
- the cuts to section 106 payments from developers, which will see fewer social housing properties offered to local residents in new builds.

These actions will mean that there is less money for the provision of new social rented properties and less money available to provide services to tenants such as repairs, estate services, youth clubs or play centres that significantly improve the life of families.

Council resolves:

(a) to work with other neighbouring authorities to oppose the current government proposals to force councils to sell off high value stock (or any equivalent charge based on estimates of high value stock);

(b) to write to Geoffrey Clifton-Brown MP asking to support the Council's position; to speak up in parliament for more social housing and to push for a genuine "one for one" replacement, but not at the cost of losing more social housing.'

1.2 In accordance with Council Procedure Rule 12, the Motion, having been Proposed and Seconded, was referred to the Cabinet for consideration (in line with usual practice). However, the referral in this instance also had regard to the fact that a more informed view was required, particularly as there are still many unknowns - for example, some of the Government proposals are unconfirmed, such as the ring-fencing or exclusion of certain specialist properties; quite how market-discount proposals for first time buyers will work and be funded; and eligibility criteria for Right-to-Buy applicants. In addition, the Council is currently in the midst of the on-going Local Plan consultation, which includes affordable housing.

1.3 In the light of such referral, the Proposer and Secunder of the Motion are entitled to attend the Cabinet Meeting and present it formally to Members. The Proposer of the Motion will also have an opportunity to respond to the Cabinet debate, immediately prior to final comments by the accountable Cabinet Member and the formal vote.

## 2. Update on the Housing and Planning Bill

2.1 The referral of the Motion, as noted above, took into account the lack of clarity around the detail of the implications of the proposed Clauses in the Housing and Planning Bill.

2.2 The current position regarding the progress of the Bill is that it passed its third reading in Parliament during the week commencing 11<sup>th</sup> January and now moves to the House of Lords.

2.3 It is not clear, however, what Clauses and proposed amendments will be retained in the Act, although the planning press has already reported the failure to secure an amendment requiring Housing Associations to invest all the money they receive from right-to-buy sales in replacement affordable housing in the same local authority area. Furthermore, although reference has been made to an exemption from right-to-buy within rural areas, there is no clarity as to what the definition of a 'rural area' will be.

2.4 The transcripts of the various stages of the Bill do provide evidence that there have been lengthy debates and that the concerns raised in the Motion are shared by others and have been forcibly debated during the Bill's progress through the House of Commons. The issues raised in the Motion are not unique to the Cotswolds, nor are the challenges of delivering affordable housing.

## 3. Council's Response to Affordable Housing Need

3.1 The Council recognises the requirements to meet identified local housing need and, to date, has exceeded targets for the delivery of affordable housing, recently delivering over 400 units.

3.2 The Council works hard to ensure that its housing policies and allocations of affordable homes meet the identified needs of people with a local connection and that discounted market housing is set at a price which is affordable and reflects local differences between house/rental prices and income levels. The Council has, to date, exceeded the Government's proposed 80% market value rate for starter homes, having already successfully applied a rate of 70% market value on new development, and is currently negotiating lower rates, all of which reflect a deep understanding of local affordability issues.

3.3 The challenge of replacing housing stock, as has been identified by others in the House of Commons debates on the Bill, in an area with high land values and limited opportunities remains a particular concern, particularly for small villages.

4. Local Plan Policy Response

The work currently being undertaken on the new Local Plan includes housing policies which will build-in appropriate flexibility in tenure mix, and primarily focus on meeting identified local need. Evidence on local housing need has informed, and will continue to inform, policy development, although the current Government proposals in the Bill cannot carry weight at this stage of the Local Plan preparation and will not do so until the Act gains Royal Assent.

5. Conclusion

The concerns and issues raised within the proposed Motion have been highlighted within the debates which have taken place in the House of Commons. However, the situation remains that there is still much which is unknown in terms of final content of the Act as noted in paragraph 1.2 above. The Local Plan work will seek to address as many as possible of the housing issues which the District faces, including delivering homes for local people with a range of housing needs.

(END)