



Report of the Director of Environment and Neighbourhoods

Executive Board

Date: 9 December 2009

Subject: Leeds Housing Strategy 2009 – 2012/Leeds Private Rented Housing Strategy

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

EXECUTIVE SUMMARY

The Leeds Housing Strategy represents the strategic and delivery framework to tackle the housing challenges facing the city. The Leeds Housing Strategy sets out the actions and performance targets that the Council, and other housing providers, will be expected to meet in order to address these challenges. The Leeds Housing Strategy also constitutes a framework for establishing investment priorities, applications and decisions. The housing challenges facing the city can be encapsulated into three core themes:

- Increasing the supply of affordable housing
- Improving the quality of existing housing
- Promoting independent living

The structure of the Leeds Housing Strategy mirrors that of the Leeds Strategic Plan with the strategic themes incorporating more specific priorities and actions. The actions and performance targets included within the Leeds Housing Strategy will make a significant contribution to the 'Thriving Places' and 'Health and Wellbeing' themes of the Leeds Strategic Plan.

The actions and the performance targets are the main elements of the Leeds Housing Strategy as progress against these will be the key yardstick as to whether the Council, and other housing providers, are addressing the housing challenges facing the city. Progress against these actions/targets will be monitored through the Leeds Housing Partnership. Officers from the Council will be responsible for collating performance to report to the Leeds

Housing Partnership. The Council is primarily a strategic enabler/commissioner of housing related services and therefore the Leeds Housing Partnership will need to ensure that external housing providers are contributing to the delivery of the strategy.

The Council has a number of satellite housing related strategies that cover more specific issues such as homelessness, empty homes, the private rented sector, BME communities, older people and people with learning disabilities. The satellite strategies are framed or are being framed around the three strategic themes of the Leeds Housing Strategy. A focus has been made on updating the action plans for each strategy to ensure they cover all relevant priorities. An updated Leeds Private Rented Housing Strategy has been developed concurrent to the updated Leeds Housing Strategy. The purpose of this strategy is to set out the longer-term strategic direction for private rented housing in Leeds. It aims to enable the creation and maintenance of a prosperous private rented sector providing choice and offering good quality and well-managed rented accommodation that contributes to the sustainability of the communities in which it is located. It is a citywide strategy aimed at the various parts of the private rented sector. It has been formulated to be firmly linked to, and informed by, the broader Leeds Housing Strategy, especially strategic priorities J and K of the 'improving housing quality' strategic theme.

1. Purpose Of This Report

- 1.1. To seek approval for the updated Leeds Housing Strategy 2009 to 2012 and the updated Leeds Private Rented Housing Strategy.

2. Background Information

- 2.1. The Leeds Housing Partnership, the multi-agency partnership that oversees housing development and delivery in the city, decided that it would be advantageous to update the current Leeds Housing Strategy prior to its expiry point in 2010. The development of an updated city wide housing strategy was considered to be important in order to establish a strategic and delivery framework to address housing challenges facing Leeds. An updated Leeds Housing Strategy represents a framework to inform and establish investment priorities, applications and decisions. An updated city wide housing strategy will also set out the actions and accompanying performance targets that the Council, and other housing providers in the city, will need to meet in order to address housing challenges in Leeds.
- 2.2. The updated Leeds Housing Strategy has been developed in an unprecedented economic climate, which has impacted on the housing challenges facing the city: rising unemployment, mortgage default, home repossession, increased threat of homelessness, house price deflation, mothballed or discontinued housing development. Nevertheless, the Executive Board is advised that the updated Leeds Housing Strategy represents a strategic framework to address current and future housing challenges. The strategic vision and accompanying strategic themes respond to the current housing context and also reflect long-term ambitions for the city.
- 2.3. The updated Leeds Housing Strategy will cover the period 2009 to 2012 and is framed around a strategic vision 'creating opportunities for people to live independently in quality, affordable housing'. Three strategic themes flow from this vision:
 - 2.3.1. Increasing the supply of affordable housing
 - 2.3.2. Improving housing quality
 - 2.3.3. Promoting independent living

- 2.4. The structure of the Leeds Housing Strategy mirrors that of the Leeds Strategic Plan with the three strategic themes incorporating more specific priorities with accompanying actions and performance targets. Three year targets have been set for all improvement priorities. The action plan is the most important element of the updated Housing Strategy. The strategic vision, themes and priorities will remain largely constant over the term of the strategy and after 2012. However, the specific actions and performance targets will be monitored on an ongoing basis, through the Leeds Housing Partnership, to measure progress against improving housing/housing services in the city. Actions and targets will be reviewed and modified as required to respond to changing priorities and to drive ongoing improvement in service delivery.
- 2.5. Council officers will be responsible for collating performance against the actions and targets set out in the Housing Strategy Action Plan. This data can be reported through the scrutiny process and the Executive Board as required. The Council is increasingly a strategic enabler or commissioner of housing services. It will therefore be important that the governance arrangements of the Leeds Housing Partnership enable the performance of external housing providers, that is relevant to the updated Housing Strategy Action Plan, to be monitored.
- 2.6. The updated Housing Strategy will make an important contribution to the 'Thriving Places' and 'Health and Wellbeing' themes of the Leeds Strategic Plan with increasing the supply of affordable housing, improving housing decency (quality) and assisting vulnerable people to live independently being identified improvement priorities.
- 2.7. The updated Leeds Housing Strategy has a number of satellite strategies covering a range of housing areas including homelessness, empty homes, BME communities, older people and disabled people. The action plans for all sub-housing strategies have been, or are being, updated to mirror the strategic themes of the updated Housing Strategy and to ensure that they respond to the key housing challenges. Again this affirms the position that up to date action plans, where all stakeholders are accountable for specific actions/targets, is the key element of housing related strategy development.
- 2.8. The updated Housing Strategy considers housing challenges from a city wide perspective. The Housing Services Division is aware that there are housing priorities and challenges that are more relevant to specific localities. It is proposed, once the overall Housing Strategy is ratified, that Housing Services Division officers will work with colleagues from Area Management Services to draw up localised area based housing action plans. The updated Housing Strategy also has regard for the development of the Leeds City Region Development Plan and the forthcoming Leeds City Region Housing and Regeneration Strategy and Investment Plan. The strategic theme of 'Increasing the supply of affordable housing' reflects the housing priorities within the city region plans around housing growth, affordable housing delivery and fostering housing market equilibrium. The updated Leeds Housing Strategy gives equal priority to challenges that have more limited focus within the city regional plans such as improving housing quality and promoting the capacity of vulnerable people to live independently.
- 2.9. The Leeds Private Rented Housing Strategy is being revised at the same time as the overall Leeds Housing Strategy. Private rented housing provides a home for students, nurses and young professionals, low-income households, benefit claimants as well as for households relocating from other parts of the country, migrating from outside the UK or seeking asylum. In recent years, new purpose built

accommodation in the city centre and for the student market has been added to existing stock traditionally providing rented accommodation in the city. The purpose of the Leeds Private Rented Strategy is to set out the longer-term strategic direction for private rented housing in Leeds. It aims to enable the creation and maintenance of a prosperous private rented sector providing choice and offering good quality and well-managed rented accommodation that contributes to the sustainability of the communities in which it is located. The strategy seeks to set out the roles and responsibilities of the range of organisations and agencies involved in the provision, management and regulation of private rented housing, along with advice agencies, the Leeds Benefits Service and the Rent Officer Service. It also includes an action plan with targets and milestones to deliver the strategy over the next two to three years. The Leeds Private Rented Housing Strategy is closely linked to the 'Improving Housing Quality' theme within the overall updated Leeds Housing Strategy and specifically to improvement priorities J 'Continue to improve standards in the private rented sector' and K 'Improve the standard of temporary accommodation leased through the private sector'.

2.10. The aims of the Leeds Private Rented Strategy are as follows:

2.10.1. Promoting and supporting the private rented sector to meet needs and provide choice

2.10.2. Ensuring good standards of housing and management

2.10.3. Effective advice, information and support

3. Main Issues

3.1. The three strategic themes have been established following an analysis of the key housing challenges facing the city:

3.1.1. **The city has a shortage of affordable housing options and has housing markets that do not always function effectively.** Affordable housing can be broadly defined as housing for people who cannot or do not wish to purchase or rent housing through the open market. It includes social housing rented through the council or housing associations, intermediate renting where the rent is higher than social renting but lower than buying or renting housing on the open market, shared ownership/equity housing and housing for sale at a discounted price.

3.1.2. The Leeds Housing Partnership developed the concept of a 'housing ladder' to describe the different housing options that need to be available to people in the city with housing for market sale or rent on the highest 'ladder rung' and social housing for rent at the bottom. There is compelling evidence to suggest that the 'Leeds housing ladder' does not always function effectively for all the people of Leeds. The Leeds Strategic Housing Market Assessment (HMA) 2007 identified that a single person would need an annual gross income of £37k to purchase the average starter home in the city. The 20% reduction in average house prices in 2008 will have affected this calculation but home-ownership remains difficult to secure for households unless they enjoy significantly above average income and/or considerable capital. Many households in the city have purchased properties at a cost that they are finding difficult to meet in the deteriorating economic climate. The continued contraction in the city's social housing stock, specifically that which is council owned, means that more people are finding it difficult to access social housing. It is not uncommon for 500 applicants to

register a bid for a property advertised through the Leeds Homes' choice based lettings system. Research carried out by Re'new highlighted that housing association rental charges are increasingly unaffordable for people on average or below average incomes.

3.1.3. The city needs to improve the quality and sustainability of housing stock.

The Leeds ALMOs and other social landlords are working to bring all social housing stock up to the decency standard by 2010/11. A key challenge relates to investment options for continuing to improve social housing stock condition. Another significant challenge relates to private sector housing as non-decency levels (33% or over 80,000 properties) are significantly worse than in the social housing sector. The city has just under 20,000 back-to-back houses, which are difficult to improve to a decent standard of repair, due to inherent building design flaws. The most common challenge relating to non-decent private housing relates to excess cold. The rise in energy costs in recent years has meant that there was an increase from 19 to 24% of the Leeds population suffering from fuel poverty. It is estimated that two-thirds of existing housing stock will still be in use by 2050 and therefore the sustainability of current housing stock is a key challenge. The city needs to gear up to the challenge of making all housing carbon neutral by 2019. It is estimated that 46% of all carbon emissions relate to property. The links between the quality of housing and health and wellbeing is compelling. Excess cold is a major cause of a premature mortality and steep and narrow staircases in older housing stock increases the risk of falls and the need for hospital treatment/placement in residential care. Leeds has a relatively high rate of infant mortality, which NHS Leeds partly attributes to poor quality housing.

3.1.4. Vulnerable people need to be assisted to achieve and maintain an independent living outcome if that is their choice.

The Leeds Strategic Plan includes strategic outcomes and improvement priorities relating to promoting the capacity of vulnerable people to live independently, to exercise choice and control over their lives through the provision of community-based services and to reduce the level of homelessness in the city. There has been recognition that the traditional approach to assisting people who are homeless or threatened with homelessness offered limited housing options and often missed opportunities to prevent homelessness. Services such as housing support, adaptations and assistive technology can play a crucial role in reducing dependency on day care services, residential care placements and hospital placements. There are significant 'invest to save' opportunities that can be generated through such services. Basic adaptations, such as installing handrails costing around £150, could be compared to the cost of around £50k to NHS Leeds of hospitalising an older person who requires a hip replacement. The Council has become increasingly aware that outmoded housing, such as some sheltered housing and hostel style housing for people with learning disabilities, does not support the drive to help people live independently and to exercise choice and control over their lives.

3.2. The updated Leeds Housing Strategy sets out the following actions and performance targets against the three strategic themes:

3.2.1. Increasing the supply of affordable housing:

The Council has a target, through the Local Area Agreement, to deliver a minimum of 1500 affordable housing units in the two-year period from 2009/10 to 2010/11. Affordable housing delivery is closely linked to wider housing development and the Council, again through the Local Area Agreement, has agreed to a target of delivering 6,800 additional new dwellings by the end of March 2011. The economic

downturn has made these targets more challenging; however, Housing Services is confident that the affordable housing target will be met.

- 3.2.2. The cornerstone of the affordable housing delivery programme is the Affordable Housing Strategic Partnership. The partnership is the prototype of the Local Housing Companies that the government is advising authorities to establish in order to deliver more affordable housing. The release of 87 acres of council land has resulted in £45 million being secured from the Homes and Communities Agency and the private sector. It is predicted that 460 affordable homes will be delivered through the partnership over this and the next financial year. The partnership is also overseeing the development of the first new build council housing in the city since the late 1980s. The updated Leeds Housing Strategy commits to the exploration of opportunities to expand this fledgling programme over the next three years.
- 3.2.3. Greater emphasis is being placed on helping people to remain homeowners. The Golden Triangle Partnership has been reconfigured to provide a mortgage rescue scheme in the north of the city. The strategy recognises the importance of developing a citywide mortgage rescue scheme. The Housing Services division is exploring opportunities with private sector companies and the Homes and Communities Agency to bring empty properties in the city into use as intermediate rented housing. The formal implementation of the Affordable Housing Supplementary Planning Document will set out minimum thresholds relating to the proportion of housing development that will need to be affordable and the tenure split that is required within the five housing market zones in the city. The Strategic Housing Land Availability Assessment will identify public and private land that can be used for housing development, including affordable housing, up to 2024.
- 3.2.4. Improving housing quality:** the Leeds Housing Strategy commits to ensuring that all social housing meets the decency standard by 2010/11. The strategy also sets out the challenges and options relating to attracting future investment that can be used to maintain and further improve council housing stock after 2010/11. The strategy calculates the cost of bringing all private sector housing up to the decency standard at £250 million. The key housing quality challenge relates to addressing excess cold. The Leeds Housing Strategy sets out a recommendation to establish a 'Warm Zone' (subject to Executive Board approval) in the city similar to that which is in place in authorities such as Kirklees. A 'Warm Zone' could involve the installation of cavity and loft insulation in every property a particular locality. Particular emphasis could be placed on 'hard to treat' properties such as back-to-backs and the Council has commissioned independent research to identify how energy efficiency can be improved in such properties.
- 3.2.5. The links between housing and health and wellbeing outcomes are explored in the strategy and it is noted that NHS Liverpool has given funding of around £9 million to improve private sector housing conditions in the city. The Liverpool model needs to be tested and it needs to be identified whether comparable investment can be made in Leeds. The strategy will set out actions and targets relating to improving the sustainability of housing including developing new housing and refurbishing existing housing to achieve zero carbon emissions. The private rented sector will be an increasingly important housing option. Continuing to improve standards of landlordism and accommodation will be important priorities. Maximising the number of private rented landlords that are members of the Landlord Accreditation scheme and encouraging the letting of

properties through the Leeds Housing Options Service Private Sector Lettings scheme are some of the actions set out in the strategy to promote a thriving private rented sector.

3.2.6. Promoting Independent Living: the reconfiguration of the Council's homeless and housing advice services around a housing options model is a key priority. People who are homeless or threatened with homelessness will receive more personalised services that aim, in the first instance, to prevent homelessness. The service will use key homeless options, such as the youth mediation service, Sanctuary scheme, private sector lettings and a mortgage rescue scheme to maximise homeless prevention outcomes. The Leeds Housing Strategy sets out the challenges and actions that will result in an eradication of rough sleeping by 2012 and minimising temporary accommodation placements.

3.2.7. Services such as housing support, adaptations and Telecare will assist vulnerable people to live independently. Research has been commissioned to establish the 'invest to save' benefits, specifically in relation to health and wellbeing, that are generated from such services. The strategy sets out the intention to develop an Accessible Housing Register, as part of the wider Leeds Housing Register, to improve the letting of adapted housing to disabled people. The strategy also outlines the Council's plans to modernise ALMO managed sheltered housing provision using the £183 million funding secured through Round 6 PFI.

4. Implications For Council Policy And Governance

4.1. A report on the updated Leeds Housing Strategy and the updated Private Rented Housing Strategy were submitted to Scrutiny Board on 11 May 2009.

4.2. The updated Leeds Housing Strategy Action Plan and the updated Private Rented Housing Strategy will be monitored through the Leeds Housing Partnership. Council officers will be responsible for collating performance relating to progress on meeting the actions and performance targets included within the action plans. Progress reports will be made available through the Council's scrutiny process and Executive Board as required.

5. Legal and Resource Implications

5.1. The updated Leeds Housing Strategy represents a strategic framework for establishing investment priorities, applications and decisions. The updated Leeds Housing Strategy and the updated Leeds Private Rented Housing Strategy have regard for all relevant legal duties relating to the Council.

6. Conclusions

6.1. The updated Leeds Housing Strategy represents a strategic and delivery framework for meeting the housing related challenges in the city. The key housing challenges in the city can be encapsulated into three themes: increasing the supply of affordable housing, improving housing quality and promoting independent living. The action plan is the key element of the updated strategy as this will measure the effectiveness of the Council, and other housing providers, in addressing the housing challenges facing the city. The action plan will be monitored through the Leeds Housing Partnership and will be reviewed periodically to ensure that the actions/targets are still relevant and drive continuous service improvement. The updated Private Rented Housing Strategy sets out the longer-term strategic direction for private rented

housing in Leeds. The private rented sector will be an increasingly important housing tenure/option in Leeds and the strategy represents the framework for fostering a prosperous sector offering good quality/well managed accommodation that contributes to the sustainability of the communities in which it is located.

7. Recommendations

7.1. To approve the updated Leeds Housing Strategy and the updated Private Rented Housing Strategy.

8. Background Papers

8.1. The updated Leeds Housing Strategy and the Leeds Private Rented Housing Strategy.