

Report of Executive Director Environments & Neighbourhoods

Report to Executive Board

Date: 7th November 2012

Subject: Deputation Speech 12th September 2012 Council Meeting – Leeds Youth Fight for Jobs

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	No
Are there implications for equality and diversity and cohesion and integration?	Yes
Is the decision eligible for Call-In?	Yes
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	No

Summary of main issues

1. The deputation to Council requests the Council focuses activity on resources on addressing the challenges of the housing market in terms of access, affordability and quality. The deputation is attached at appendix 1.
2. The report provides a summary of the action the Council is taking to address the challenges of the housing market in Leeds.

Recommendations

3. Executive Board note the report

1 Purpose of this report

- 1.1 To provide a the background and context for the discussion at Executive Board in response to the deputation to Council.
- 1.2 To provide a summary of the action the Council is taking to address the challenges of the housing market in Leeds.

2 Background information

- 2.1 The deputation requests that the Council consider its response to the challenges of the housing market inclusive of the growing demand for social rented housing, overall access and affordability in all sectors of the housing market and the quality of housing, specifically in the private rented sector.
- 2.2 The deputation cites increased concerns due to the introduction of welfare reforms which restricts housing benefits for a range of vulnerable groups.

3 Main issues

- 3.1 The City Priority Plan 2011-15 establishes the vision to be the best city in the UK; within which is the ambition to be the Best city.... to live. The headline indicators in the plan and key drivers for resource and focus are; to increase the number of new homes built and within that the number of new affordable homes, to increase the number of long term empty homes brought back into use and to increase the number of properties which achieve the decency standard.
- 3.2 The Commission on the Future of Local Government published in July 2012 reiterates the ambition and focus on five propositions and calls for action; a core focus being to stimulate jobs, homes and good growth.
- 3.3 Here is a summary of the Council's practical responses to the issues raised:
 - Access to housing – The Council provides a comprehensive Housing Options Service to provide housing advice, solutions to prevent homelessness and support people into accommodation and support. The demand for services has increased by 40% over the last 12 months due to the changes in the housing market with the service supporting approximately 17,000 customers per year. The focus is to support people achieve sustainable and affordable housing, and meet specific needs for example supporting people experiencing domestic abuse, providing mediation services to young people and their families and delivering mortgage resource schemes. The target is to prevent 3,000 individuals and families becoming homeless in 2012/13.
 - Supporting housing growth. The City Council's Draft Core Strategy recognises the problem of the need to stimulate housing growth by seeking to provide land for 70,000 new homes by 2026. This includes provision for affordable houses and a preference for development in sustainable locations where demand is greatest.

- In September 2012 The Councils Executive Board identified a £9M investment programme over the next 3 years which will result in the construction of over 100 new affordable homes. This funding will also provide resources for Equity Loans in order to assist purchasers unable to raise the necessary deposit to purchase new homes. Equity loan is a model which has been successfully used in Leeds through schemes developed in conjunction with house-builders. Equity loan can both increase demand by making homes more affordable and support sales on sites where construction has stalled. It allows for the funding to be recycled since the loan is repayable on sale of the subject property
- The Little London, Beeston Hill and Holbeck Private Finance Initiative Project will result in significant capital improvements to 1245 existing Council homes, construction of 388 new council homes for rent, together with improvements to estate areas over the next four years and an ongoing service contract to maintain building and environmental standards over a 20 year period
- The *Leeds Local Authority Mortgage Scheme*, was launched at the beginning of September 2012. This scheme, developed in conjunction with the Leeds Building Society, provides a 'helping hand' to first time buyers in the city who are struggling to get onto the property ladder by providing much needed 95% mortgages. The Council has placed a £1m deposit into an interest bearing account with the Leeds Building Society which will indemnify 20% of the buyer's deposit. The scheme will help up to 40 first time buyers get on the property ladder and will support up to 200 additional house moves in the upward chain.
- Housing Investment – The Council is working in partnership with the Homes & Communities Agency and Housing Associations to deliver new affordable homes via the Affordable Homes programme 2011-2015. The programme is expected to deliver approximately 750 new homes over the 4 year period in Leeds.

The Council has prioritised delivery of Older People's Housing and is developing a programme of new build which to meet the needs of older people across all tenures. This approach is expected to help to make better use of existing stock as family homes are released by households downsizing.

- Investing in Council Housing – The Council has invested £750m in achieving decent homes and created a step change in housing quality of the 58,000 council homes. 96.36% of all council homes meet the decent homes standard.
- Interventions in the private rented sector –The Council recognises the need to effectively regulate the private rented sector. In Leeds there are 337 accredited landlords, 2,800 houses in multiple occupation that are licensed and 519 homes are covered by selective licences. In 2011/12 the Council received 3434 requests for service from private sector tenants. Through its actions the Council improved housing conditions for around 4800 people, but had to take 108 prosecutions against landlords who did not maintain their

properties. Resources are being identified to increase housing regulation activity in vulnerable neighbourhoods.

- Bringing empty homes back into use is one of the Council's top 25 priorities. In 2011/12 through proactive intervention 3,000 empty homes were brought back into use in Leeds. The Council is actively working in partnership with other housing providers and the third sector to find new and innovative ways of reducing the number of empty homes in the city. Following on from the Call to Action Leeds Empties the authority is working with Social Business Brokers on the outcomes from the day. One outcomes is to consider how pledges made on the day including those around training and education involving the Leeds College of Building can be developed. The aim being to assist with improved employment opportunities. In September 2012 Executive Board identified £1.5 M additional resources to invest in private sector housing and specifically £1m in focussing activity on empty homes.
- Action to address the challenge of welfare reform – Following a discussion at Executive Board in September 2012 a joint all party letter was sent to Iain Duncan Smith, Secretary of State for Work and Pensions, raising the Council's grave concerns regarding the introduction of the social housing sector size criteria and challenging the policy. The Council has established a welfare reform board to co-ordinate an effective and provide a comprehensive response to support individuals and families in Leeds. For example 7,500 council tenants effected by the under occupation rules are being visited to discuss the changes and their options to manage the changes.

3.4 As can be seen from the actions set out at 3.3, the Council is addressing government housing policies. The Council will continue to lobby government with a view to improving policy. However, its activities must always be both within the law but also delivered within its available resources.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Consultation and engagement has been undertaken on developing investment priorities and individual schemes, outlined in paragraph 3.3 and detailed within the report.

4.2 Equality and Diversity / Cohesion and Integration

4.2.2 The Housing Strategy has three themes which are Housing Investment, Housing Quality and Housing Support which provide the strategic context for all programmes of activity and service deliver. Equality, diversity, cohesion and integration are central to all individual proposals. It is a requirement that all new functions or services be subject to an Equality Impact Assessment. The assessment is attached at appendix 2.

4.3 Council policies and City Priorities

- 4.3.3 Investing in jobs and homes are critical to the Council's priorities. The report is in response to a deputation speech to full Council. The Council, with its partners have agreed its priorities for the city in its Priority Plan 2011 -15. Part of this plan includes a number of housing priorities to deliver investment, new homes, improvement in housing conditions, energy efficiency and links to employment. This is monitored via the Housing and Regeneration Priority Board's action plan.
- 4.3.4 Whilst the petition focussed on housing, it is noted that the campaign centres on youth employment. Since the beginning of the economic downturn in 2008, youth unemployment has risen in the city and is of major concern. Although the number of 16 – 18 year old NEET young people has reduced in the last year, there are currently, 7,375 16.- 24 year olds claiming Job Seekers Allowance. This represents an increase of almost 2.5% on October 2011. The Council has taken a number of significant steps to counter the issue, in particular through initiatives to increase apprenticeships. These have resulted in a 13% increase in the number of 16 – 18 year old apprentices in the city and a 6% increase for 19 – 24 year olds in the year up to August 2012. The recently negotiated City Deal provides a fresh opportunity to link young people to new jobs as they arise in the city, through the Apprenticeship Training Agency and the devolved Youth Contract for 16/17 year olds. Whilst the economic outlook continues to be uncertain, Leeds continues to attract investment, notably in retail. The Council is fully committed to ensuring that this investment translates into jobs for local people.

4.4 Resources and value for money

- 4.4.1 In the current economic climate the authority is continually reviewing the resources available to deal with housing issues. All decisions on resources and investment are undertaken via the Council's decision making processes and governance procedures.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 None

4.6 Risk Management

- 4.6.1 Not applicable

5 Conclusions

- 5.1 The Council has prioritised strategic and operational responses to the issues raised within the deputation and is focussed on supporting the people of Leeds to access jobs and housing.

6 Recommendations

- 6.1 Executive Board note the report

7 Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.