Housing Strategy
Mid Year Review 2010

1.0 Performance to September 2010

1.1 Progress Against the Housing Strategy Action Plan - Theme 1 Quantity

1.1.1

- The interim figures for number of net homes provided is 199 (it is unlikely that we will meet the annual target of 600). We have completed 48 affordable homes and we anticipate that the annual target of 157 will be exceeded.
- Construction works are progressing well at Durham Street, Kay Close, Etherstone Street and Windsor Avenue developments. First handovers at Durham Street were in September and further handovers due up to February 2011.
- Successful bid for funding for the Council development at The Orchards and construction of 35 units has begun with a completion date of October 2011.
- Successful bids under the AGMA Local Investment Plan for schemes at Bryn Road South, Helen Street and Eliot Gardens, 16 homes in total for completion by December 2011.
- Work underway on the replacement Affordable Housing Strategy and AGMA Local Investment Plan 2
- Empty homes empty for over 6 months has reduced to 2.35% (3,000 properties). There are 2,000 properties empty under 6 months.

1.1.2 Progress Against the Housing Strategy Action Plan – Theme 2 Quality

- The development of a new landlords accreditation scheme is now well established and is following the GM standard approach. Whilst the number of Landlords accredited is still small (18 landlords) due to better publicity and increased communication with landlords we have a further 45 currently pending approval. We have also introduced lettings agent accreditation procedures and one company with almost 100 properties is ready to be inspected for accreditation.
- The number of properties leased or managed by Wigan Housing Solutions is still low (11 in management 3 leased – but there are a further 6 PSL pending), however the bond scheme continues to support over 100 clients.
- Investment in achieving decent homes standard within the Council stock is continuing with 97% meeting decent homes standard.
- Kill the Chill road show held giving advice on affordable warmth to households in the borough.

1.1.3 Progress Against the Housing Strategy Action Plan – Theme 3 People

- The high level indicator in this area is the number of households in temporary accommodation and the target of 19 is being maintained with an actual of 19 at the end of quarter 2.

- Major increase in performance in terms of preventing homelessness within the borough (83% prevention rate for Quarter 2) with Wigan being one of the best performers across the region.

- Continued reduction in homelessness acceptances (715 in 2007/08 to 325 in 2009/10) and 117 as at September 2010.

- Above expected reductions in repossession orders granted with levels for owners now slightly below the GM average (Q2 Wigan 0.77 GM 0.80 per thousand households) and levels extremely low within the private rented sector (Wigan 0.54;GM 1.19 per thousand households).

- Successfully attracted HCA support for new accommodation for Women at risk of domestic violence. Hope Street completed in August 2010 and renovation of The Avenue is ongoing.

- Good progress in joint work between Housing Strategy and Economic Regeneration in terms of the Recycling Lives project

- Improving performance from voluntary support services such as the Brick in linking with rough sleepers. Under the new supporting people contract the Brick no longer provides a drop in breakfast service, clients now have to engage and be prepared to talk about their issues before they can access their services. The Brick supports over 20 people on support plans – and also runs group sessions on problem solving, addressing their issues, skills development. In addition former rough sleepers have set up a peer support group called Moving On. This needs to be monitored/addressed as there are potential risks with involving service users in service delivery.

- Consultation period underway on proposed changed to support services in the Council's sheltered housing schemes.

- Development of new older persons Specialist and Extra Care Housing Strategy underway

- "Full of Life" Advice and Information Event held to celebrate National Older Persons Day with 32 agencies/stall holders and over 100 people attended from across the Borough.

1.2 Key Performance Indicators

	Updated 20.10.10 Indicator	2008/09 Outturn	2009/10 Outturn	2010/11 target	Q1	Q2
NI154 SHI1	Number of net homes provided	780	433	600	124	75
NI155 SHI2	Number of affordable homes delivered (gross)	38	42	157	11	37
LAA Local	Number of additional affordable lettings	264	311	530	327	368
SHI6	Percentage of private sector homes empty for more than 6 months	2.56%	2.44%	2.40%	2.40%	2.35%
LAA Local	Number of empty homes returned to use or demolished with LA advice or action	64*	1525	6120		
RSS	percentage of homes built on previously developed	87.3%	91.5%	80%		

	land					
Theme 2	Quality					
		2008/09		2010/11		
	Indicator	Outturn	outturn	target	Q1	Q2
NI158 SHI3	Percentage of non decent council homes	5%	3%	2%		
NI160	Local authority tenant satisfaction with landlord service	87%	87%	87%		
LAA Local	Number of non decent homes belonging to vulnerable owner occupiers made decent	80	70	80	4	12
SHI4	Percentage of private sector stock having Cat 1 hazard under HHSRS	n/a				
SHI5	Average SAP rating of private sector housing	60	60	64		
NI187	Percentage of households on income related benefits in fuel poverty	5.11%	3.83%	5.00%		
Theme 3	People					
		2008/09		2010/11		
	Indicator	Outturn	outturn	target	Q1	Q2
NI156 SHI8	Number of households living in temporary accommodation	59	22	19	18	19
LAA Local	Percentage of households whose homelessness is prevented or relieved through positive action	43.80%	76%	50%	81%	83%
NI141	Percentage of vulnerable people achieving independent living	84.1%	84.5%	83.6%	81.9%	81.8%
NI142	Percentage of vulnerable people who are supported to maintain independent living	98.2%	97.7%	98.8%	97.00%	98.2%
SHI7	Net additional housing support services provided	202	452	495		
SHI9	Percentage of social tenants of working age in work, education or training	32.25%	32.25%	35%		

1.3 Contribution to other strategies & priorities

1.3.1 **Affordable warmth strategy** – energy efficiencies demonstrated through the boiler replacement programme

1.3.2 **Worklessness Strategy** - The DWP, in anticipation of the impact of the welfare reforms have developed a pilot scheme in the Norley Hall area of Wigan (also incorporating Worsley Hall and Marsh Green). This area is in the top 3% deprived communities in the country and has high rates of worklessess and child poverty. The scheme is designed to assist any working age adult living in the area off benefits (any benefit) and into full time employment. The scheme started on 6th September 2010 and works from the WALH office in Pemberton.

The assistance they provide to clients is intensive and includes developing self esteem, numeracy and literacy training, improving application and interview skills and ongoing employment once in work.

Some of the scheme's positive outcomes so far include:

- 13 Job starts
- 19 referrals to Basic IT and level 2 numeracy and literacy courses with 8 customers who have started the training.
- 14 referrals to Voluntary opportunities 3 who are awaiting CRB checks to be able to commence.

The Scheme is initially funded until March 2011 although there is scope for a further 2 years funding until March 2013.

1.3.3. **Adult Services -** priorities tackling substance misuse and offenders. Role of SP Commissioning Body now wider and housing is a crucial element of services.

1.4 Barriers to delivery

1.4.1 Strong housing recovery even in the medium term is unlikely (regional view). The number of sites coming forward for housing development in the borough is low and the viability of developments remains poor. Many current schemes have only progressed due to public subsidy.

1.4.2 A major obstacle is the availability of capital especially for first time buyers (mortgages / deposit / job security)

1.4.3 High volume of people accessing services continues and thus underlying pressures remain

1.4.4 Significant parts of the service vulnerable to future cutbacks (supported by temporary monies etc) and the possibility that this will have an impact on reduced services.

1.5 Challenges/Opportunities

1.5.1 Level of funding for affordable housing cut by 50% nationally, with the HCA budget cut from £8.4 to £4.5m. The government has also announced that it intends to end funding for social rented homes, with the alternative of affordable homes at 80% of market rent.

1.5.2 Funding opportunities will focus on the Local Enterprise Partnership (LEP), the Local Investment Plan (LIP with HCA) within the context of a GM Spatial Framework

1.5.3 The abolition of Regional Strategies means that we are now responsible for determining the right level of site provision for gypsies and travellers reflecting local need and historic demand and for bringing forward land for authorised provision in the DPDs (Development Plan Document). Also legislation is expected that will give travellers the same rights and responsibilities as other social tenants – all these changes influence how we determine future provision and the future management arrangements of the site at Bickershaw.

1.5.4 The development of Wigan's Local Development Framework is still progressing and the consultation period is underway on the revised proposals and draft policies. The LDF will influence the direction of housing and regeneration initiatives and the objectives are likely to change due to the continued impact of the recession on the economic and housing prospects of the borough.

1.5.5 The impact of proposed changes to housing, planning and economic policy and the introduction of new legislation, particularly the Localism Bill, by the new government is still emerging.

2.0 Impacts (of achievements so far)

2.1 Equality & Diversity

2.1.1 Local Lettings policy for new build has been implemented resulting in 12 allocations (6 at Etherstone Street and 6 at Durham Street). The objectives were met and % targets were exceeded. A full lettings report will be produced by the end of the year outlining the success but more work on capturing the improved outcomes for families and neighbourhood over the longer term is needed.

2.1.2 Full Equality Impact Assessment undertaken on the changes to support services for older people in the borough. Actions have been identified for implementation.

2.2 Sustainability & Health

2.2.1 Continued progress on tackling fuel poverty will provide health benefits, particularly to vulnerable households.

2.3 Resources & Value for Money

2.3.1 Significant savings made in the construction costs of The Orchards new build scheme, resulting in securing HCA funding.

2.3.2 Wigan is leading a project looking at value for money on homelessness & prevention services through a benchmarking exercise with other Greater Manchester authorities.

2.3.3 A review of temporary accommodation has taken place, the conclusions of which are currently being shared with the providers. During the consultation, the strong message given to supporting people was the need for streamlined and more transparent application processes. Preference was for a single application form / point of access which would also ensure those in greatest need were placed in supported housing thereby making best use of existing resources.

2.3.4 Supporting People have asked providers to produce their own proposals to make 10% savings in accommodation based and floating support services and now in discussion with individual providers about their proposals.

2.3.5 £1M additional funding had been awarded to WALH for boiler replacement, this has allowed re-investment of planned maintenance budget in other areas.

3.0 Changes in strategic / policy context

3.1 Local - Housing Market

3.1.1 Current market trends in Wigan are similar to other areas in the region namely a relatively stagnate position with modest falls/gains in prices, but with Wigan still remaining a relatively low priced area (for both sales /rent). Demand from first time buyers particularly hit by the need for deposits and job insecurity

3.1.2 Very low turnover and new development - construction of new homes continues to slow (1700 completions in 2007/08 : 430 in 2009/10), with starts now extremely low and dependent on government support.

3.1.3 Expected increases in homelessness and repossessions have not occurred although this is partly due to effective national and local preventative measures. Thus pressures still remain, especially with the proposed changes to Housing Benefit as these are expected to have an impact on increased demand on homelessness and housing options services.

3.1.4 Demand for privately rented property has increased due to limited access to owner occupation and social housing, but currently rental levels are static due to significant increases in supply. (Rents generally increasing in many parts of GM).

3.2 Regional / Sub-regional

3.2.1 Regional frameworks are disappearing (GONW, NWDA, 4NW etc)

3.2.2 Key GM housing direction emerging is an economic one based on reinforcing the GM economy (Gross Value Added/economic output, Worklessness, creating popular locations etc. This is part of a wider strategy linked with economic, transport and planning.

3.2.3 Within GM thinking the key challenge is seen as the dramatic slowdown in new development (currently 50% of new starts funded by HCA) and how to revive development. This along with policy issues relating to improving the existing housing offer, private renting and area neighbourhood initiatives will be key areas.

3.2.4 Greater Manchester will set the tune for Housing and this will involve the Local Investment Programme – work which is predominantly housing but not entirely and the Local Enterprise Partnership – (successor to regional development agency). Housing within the Localism Agenda is linked to economic development and there will be an emphasis on the need for additional housing rather than affordable housing. The big issues will be around promoting/developing alternative funding models; looking for gap funding to deliver retrofit; balancing markets of choice; whether the private rented sector can meet the gap for those who have difficulty in accessing owner occupation and for those waiting for the limited supply of social housing.

3.3 National

3.3.1 The Government has introduced a number of changes including the cutting or removal of regional funding and regional organizations. The government concern is very much about localism and most of the activity is around sub regional level.

3.3.2 Scrapping of the Audit Commission and transferring responsibility of the economic regulatory function of the TSA to HCA.

3.3.3 The welfare reforms including universal credit (benefits capped at £500 per week), £18,200 cap for single people and the proposed package of changes to the Housing Benefit system phased in from April 2011 through to April 2013 are expected to have an impact on a number of services including debt counselling, homelessness, housing option services and temporary accommodation if tenants are evicted and considered intentionally homeless.

3.3.4 The decentralisation and localism bill announced in the Queen's Speech in May is designed to devolve greater powers to councils and neighbourhoods and to give local communities more control over housing and planning decisions. The bill is due in November 2010 and is expected to be passed by Parliament in November 2011.

4.0 Challenges Ahead

4.1 Immediate Challenges and Structural Challenges

Much of the emphasis of the Housing Strategy has been on the immediate issues – homelessness, recession and empty homes, but the structural challenges (new homes, improved housing offer and ageing population) are key in a change agenda. The longer term housing challenges are as follows:

- How do we ensure enough housing is built (and is of the right type/location) and what is the appropriate level of affordable housing?

- How do we tackle re emerging pockets of market decline in some of our poorer neighbourhoods?
- How do we better capture/provide for higher earning households in the borough?
- How do we tackle the lack of variety of housing in the core of the borough?
- How do we tackle longer term issues, for example ageing population, private rented sector expansion?
- How do we tackle environmental concerns?
- Health and worklessness/neighbourhood issues on social housing estates?

4.1 Quantity - Emphasis on additional homes

4.1.1 In trying to stimulate the development of additional homes the following actions are currently underway / proposed:

- Continue and extend the work of the Developers Forum as a way of consulting /engaging with the private housing industry (already underway)

- To look at ways of increasing the current rate of housing development by exploring any HCA successor to Kickstart (successful in Kickstart 1) and to explore opportunities within such GM initiatives as Evergreen (possible bid underway)

- Given the predicted future expansion of private rented accommodation and flexible tenure solutions - explore the viability of the new flexible tenure model of development developed as a GM pilot in liaison with HCA.

- To work with colleagues in Environmental Services to help secure the development of key large scale housing sites within the borough. In particular to try to ensure a more varied housing stock /offer within these areas and to use Council assets to enable this to occur (eg Bickershaw ,North Leigh etc) Again given the expected difficulties in 1st time buyers / owner occupation due to the need for large deposits to emphasise development that looks to minimise these requirements

- To re adjust the current affordable housing strategy review (currently underway) to one that also emphasises the development of more homes. (PID being modified)

- To explore with Planning colleagues the potential to look to release housing sites suitable for aspirational housing, affordable housing and certain specialist needs.

The core of the above will be to ensure housing development delivers enough housing of the right type of housing. This will be a very demanding ask in the immediate future given the national, regional and local housing market with major difficulties in raising capital (developers and buyers).

4.2 Quality - Improved Housing Offer

4.2.1 Developing more housing is clearly a key aim, however within Wigan's weak housing market context it is also essential that measures to improve the quality of the housing offer are undertaken. This is concerned with widening the choice and quality of housing in key localities as well as contributing to attempts to improve the quality of neighbourhoods. It is therefore concerned with ensuring new development enhances the balance of housing in an area and acts as a catalyst for change. This being enhanced by also concentrating attention on improving adjacent existing housing / neighbourhoods to reinforce this effect.

The following actions are currently underway or are proposed

- Current housing renewal work is currently focussed in communities adjacent to development proposals / core of the borough. In line with this strategy an additional area has been declared at Plank Lane adjacent to the entrance of Bickershaw South in order to improve the attractiveness of the development. There are however issues about future funding regimes

- To also focus efforts to improve adjacent housing markets by concentrating our efforts to bring empty homes back into use, our enforcement activity against poor property, and our work with private landlords within these areas. This being designed to uplift local areas and where possible to link these initiatives in liaison with wider neighbourhood projects (current example Leigh Neighbours Project

- Retrofitting older private housing to become more sustainable is likely to be one of the few investment opportunities in the near future. It is proposed to try to concentrate development work and projects within the concentration of older houses in the core of the borough

- To explore investment and management opportunities within the core area in liaison with WALH and RSLs

- To develop with others wider initiatives that will reinforce local housing market and local neighbourhoods. This is especially important within larger concentrations of social housing and will involve housing (eg allocations)policies in combination with other strategies such as worklessness etc

4.3 People - Specialist Housing (especially reacting to the Ageing Population)

4.3.1 There are needs for specialist accommodation across a range of different groups and these are set out in a range of strategies. However in terms of a housing contribution to a regeneration strategy the overwhelming issue is coping with the ageing population (accounts for 75% of predicted household growth between now and 2030)

Proposals include:

- To continue to implement the Older Persons Housing Action Plan and to continue to emphasise the need for support services to enable older people to live at home

- To undertake and implement (with Adult Services) the Older Persons Specialist and Extra Care Housing Strategy looking at new solutions and options within specialist housing and care provision (currently underway)

- To encourage developers to build property suitable for the ageing population and to consider the development of initiatives such as older persons villages

- To encourage RSLs to invest in other types of specialist accommodation we have clear needs for especially innovative solutions such as aided home ownership etc (HOLD)

- To work with colleagues and other organisations that offer ways of providing supported accommodation linked to economic activity (Recycling lives etc).