

**Report to:** Confident Places Scrutiny Committee  
Cabinet

**Date:** 24 September 2012  
27 September 2012

**Subject:** Housing Strategy Review

**Report of:** Corporate Director Places

**Contact officer:** Peter Layland 01942 489106

**Cabinet Portfolio Holder:** Councillor Chris Ready

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**Purpose / summary:** This report sets out the findings of the recent housing strategy review and proposes some short / medium term changes to our Housing Strategy Vision 2026. These being designed to better meet changing circumstances and to maximise the housing contribution to the new Wigan Corporate Strategy.

**Alternative options considered and reason for selecting the one recommended:** Existing approaches could have been retained and continued to be implemented. This was rejected due to the changed economic and housing situation.

**Recommendation / decision:** The Scrutiny Committee is requested to consider the report and ask questions and offer comments as appropriate.

That Cabinet approve the proposed medium term changes in the Council's Housing Strategy (Vision 2026) and, after further consultation with partners, for the Corporate Director Places in liaison with the relevant Cabinet Member to agree a detailed Action Plan.

**Key Decision:** This report involves a key decision under Grounds 1. The decision made as a result of this report will be published within 48 hours and cannot be actioned until seven working days have elapsed, i.e. before 9 October 2012.

This item has been included on the forward

plan.

**Risks / Implications:**

Financial: Proposals are within existing funding  
Staffing:  
Policy: This will represent a change to the short / medium term Housing Strategy.  
Equal Opportunities - Has a Diversity Impact Assessment been conducted? No, but individual impact assessments on different parts of the Strategy have been conducted.  
Wards affected: All

Has the Head of Service, Legal and Risk (Monitoring Officer) (John Mitchell) confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? **Yes**  
Has the Director Corporate Services (Paul McKeivitt) confirmed that any expenditure referred to within this report is consistent with the Council's budget? **Yes**  
Are any of the recommendations within this report contrary to the Policy Framework of the Council? **No**

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**Tracking/Process:**

	Consultation	Ward Members	Partners
Committee	Overview & Scrutiny	Cabinet	Council
	24 September 2012	27 September 2012	

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

Proper Officer Gillian Bishop

Date 31 August 2012

## 1.0 Background:

- 1.1 The current Housing Strategy was developed through an extensive consultation exercise in 2008 and launched in 2009. It was designed as a flexible Vision for 2026 that looked to contribute to the borough's longer term development backed by shorter term Action Plans to be reviewed on an annual basis.
- 1.2 However due to the changing nature of the housing market, the fundamental changes in the government housing policy, revised local plans and the reduced ability of the public sector to intervene it was decided that this year a wider review of direction was needed.
- 1.3 The refreshed strategy has been developed through consultation with key partners. It also makes reference to the Corporate Strategy and recent projects such as Connecting Housing with Care. The role of this review is to set out the changed context and adjust the policy priorities over the next few years. From this an Action Plan will develop specific initiatives and develop targets. However the existing long term Vision for 2026 has been retained and thus these changes represent a medium term review rather than a totally new Housing Strategy.

## 2.0 Current Housing Strategy:

- 2.1 Our Housing Strategy Vision 2026 is that:

“Wigan is a place with a range of good quality, affordable housing that meets the aspirations of residents and supports sustainable growth. All areas of the borough are attractive places to live with neighbourhoods that are safe, clean and inclusive. People are healthy and active and receive the support they need.”

- 2.2 The strategy is built around three themes of Quantity, Quality and People and set long term challenges as well as immediate issues to be addressed through the short term Action Plan.
- 2.3 The strategy has been regularly monitored and good progress has been made in most areas since 2009, briefly;

Table1 High Level Performance Indicators

	2008/09	2009/10	2010/11	2011/12
Number of net homes provided	780	433	451	185
Number of affordable homes delivered	38	42	162	73
% of private sector homes empty for more than 6 months	2.8%	2.7%	2.5%	2.4%
% of non decent Council homes	5%	3%	2%	1%
Number of households living in temporary accommodation	59	22	15	24

A full breakdown of the Housing Strategy Performance Indicators is attached as Appendix 1.

Key points on progress include:

**Quantity:**

- Increased delivery of a range of affordable housing through working in partnership with Registered Providers and private developers. This is evidenced by 277 homes being produced over the past three years, compared to 59 in the previous three years;
- Action on reducing the level of empty homes has had success, halting the previous growing levels and it has reduced overall totals. This has contributed significantly to the income stream within the New Homes Bonus. However, reduced public sector investment levels are now making direct intervention more difficult;

**Quality:**

- Continued improvements in services provided by Wigan and Leigh Housing have occurred and the quality of the Council's stock has improved;
- Major progress in engaging with the Private Rented Sector in terms of improving management standards, addressing complaints and utilising the sector as a source of meeting housing needs (evidenced by accreditation scheme, forums and leasing / bond schemes);
- Good progress within energy efficiency especially within the Council stock (boilers, PV etc) has occurred, but with good co-operation in the private sector through funding from the Warm Homes Healthy People and Warm Front schemes;
- Renewal area activity in predominantly older areas has resulted in significantly improved housing and neighbourhoods. Over the past year this has achieved considerable wider benefits with a direct link to our wider housing and economic regeneration at Bickershaw. However, progress in overall terms has now slowed due to the consequences of the withdrawal of capital funding from Government;

**People:**

- Major progress in transforming the homelessness service has been made via preventative strategies. This is evidenced by dramatic falls (well in excess of northern / regional trends);
- The use of temporary accommodation has also reduced and action in support of repossessions has increased;
- Progress has also been made in developing responses to the need for specialist accommodation linked to care and support for people with long-term needs and the ageing population. For example, there has been a reconfiguration of sheltered housing; the pioneering of private investment / provision and the adaptation services to both the public and private sectors have been transformed.

However, over the same period other issues and problems have continued:

- Due to the economic climate there has been a continued slump in the development of new homes. This is despite significant growth in publicly funded housing provision and new build completions are now approximately 30% of previous long term averages. This is not about the supply of land or due to the planning process but is due to the weakness in the housing market and difficulty in raising capital and mortgage finance. Such reductions are similar to regional / national trends. The Council has helped the situation by being flexible in its policies, by making land available and being very responsive to funding opportunities e.g. HCA funding;
- Due to the market trends / national issues, there are also a number of serious pressures developing in a number of areas ranging from older housing neighbourhoods, the impact of benefit reform on the most vulnerable and the demands fuelled by the ageing population.

### **3.0 Changing Context: Local Housing Market 2009-2012:**

3.1 Most elements of the local housing market have changed little since the strategy was written:

- Relatively low house prices (average c£130k) compared with the region and our neighbours;
- Good overall housing standards (in comparison with national and regional average);
- Relatively good mix of housing between the different types and tenures borough-wide but significant variations in the different housing situations between townships;
- Relatively “enclosed” nature of our housing market (low levels of migration).

3.2 However, some aspects have changed significantly over the last three years which need to be taken account of:

- The stagnation of the housing market that was developing in 2008 has effectively continued until now. This is illustrated by the low levels of housing turnover (40% of normal) and historically low levels of new development (30% of target);
- Structural changes in the housing market have accelerated, and are in the process of changing the tenure balance within the borough. This has mainly seen a fall in the level of owner-occupation and a very significant rise in the development of the private rental market (5,800 in 2001: estimated 12-13,000 in 2011). Such trends have caused community concerns in certain older housing markets which have seen the most rapid transformation;
- Despite progress on developing additional affordable housing, shortages of homes for people in need are continuing. This is illustrated by pressures on homelessness and social housing waiting lists, but above all the increased number of benefit claimants in the private rented sector;
- Whilst the issue of the ageing population was known in 2008 there is now growing evidence that much of our current specialist stock will not meet future demands.

#### **4.0 Changing Policy Context – National:**

4.1 The Government's approach to housing is set out in its National Housing Strategy.

The key aims in this are:

- Increasing the supply of housing;
- Social housing reform;
- Protecting the vulnerable and disadvantaged;
- A thriving private rented sector
- Reducing Empty Homes
- Supporting homeless and vulnerable people
- Quality and sustainability of homes
- Localism

4.2 However, all of this is against a poor economic outlook with, for example, national new house building at a peacetime low since the 1920s. It also includes some very significant funding cuts to most aspects of housing capital expenditure and local government spending, yet it also enhances funding of Council housing. Also some of the major impacts are within related areas such as welfare reform. Fundamental reforms are already in motion including reductions in help to the private sector and younger single people and its effects will grow as under occupancy charges and the universal benefit are introduced. These changes will over time have a significant effect on housing demand patterns and cause hardship to a range of households.

#### **5.0 Changing Policy Context – Local:**

5.1 Whilst cutbacks in resources and the local economy are major obstacles within the local policy context, there are a number of positive developments:

- The GM Strategy is growth orientated and seeks to develop the sub-regional economy with housing initiatives playing a key role within this;
- The new Corporate Strategy that is built around Confident Place - developing a prosperous economy, Confident People - improving life opportunities, and Confident Council - refocusing the Council to achieve more for less;
- The new local Economic Framework aimed at developing the local economy;
- The development of a wider partnership arrangement between WALH and the Council - ALMO +.

#### **6.0 Future Housing Trends:**

6.1 Within any review of our housing approach it needs to be informed by likely future trends and issues. We have undertaken a detailed analysis of the range of internal and external factors impacting upon the direction of our housing strategy and have identified the key influences on our future actions to continue to meet the long term housing strategy vision. Clearly any glimpse into the future cannot be certain and a range of different scenarios have been modelled. However, the situation set out below is seen as being a central prediction which balances optimistic / pessimistic views:

- Some recovery in the private housing market but this will be modest in scale;
- Demand for affordable housing will remain high due to the continued restrictions on owner-occupation (mortgage availability);
- Welfare reforms will have a significant effect on vulnerable people's choices and increasing pressure on homelessness, advice services etc;
- Due to the welfare reforms the rapid growth in the private rented market is expected to slow down;
- The welfare reforms / other policy changes, are likely to change peoples housing choice / aspirations. It will tend to accentuate the gap between popular and less popular areas.

## **7.0 Housing Strategy Response**

7.1 This report has so far described our current approach, our changing local housing situation, the national policy context and attempts locally to develop a coherent approach to the borough's development. This combined with our analysis of future trends shows that some short / medium changes in strategy are required.

7.2 In the past the decision making would have been simpler, focused largely on housing issues. Increasingly this fairly narrow focus is seen as being only part of an answer, as local housing markets are largely a function of the economy and to make fundamental change a wider focus is needed.

This review therefore proposes that future policy should be based around two key concerns:

### **Housing Dimension -**

7.3 Identifying revised housing priorities based on the severity of the issue and exploring opportunities to make a difference.

This dimension looks firstly at what are our most pressing housing issues. This is the same process as in earlier strategies. However, this is supplemented by a secondary concern around the opportunity to make a difference. This is a recognition that funding opportunities are now significantly more restricted than in the past. It is therefore proposed that we have an "opportunistic" element to our strategy which concentrates on those areas where we can make an effective difference.

### **Wider Dimension -**

7.4 This dimension looks to take account of wider opportunities to develop the borough via housing action. This is linked to the Corporate Strategy looking to:

- Help grow / develop the local economy;
- Help people be more independent;
- To reduce demand side pressures on Council / Public Sector budgets.



Table 3

<b>Wigan Corporate Strategy</b> <b>Our Vision: Confident Place – Confident People</b> <b>Confidence in the borough – Putting people first – Efficient and businesslike – Always keen to do better</b> <b>– One team, one council</b>		
<b>Confident Places</b>	<b>Confident People</b>	<b>Confident Council</b>
<ul style="list-style-type: none"> <li>• Solid economic growth is evident across the borough.</li> <li>• A housing market is in place that provides residents with a good choice of quality, affordable homes set within places people want to live.</li> <li>• The quality of the local street scene has improved.</li> <li>• Wigan has an environmentally sustainable future.</li> </ul>	<ul style="list-style-type: none"> <li>• The people of Wigan are confident that they have and can make the right choices and decisions for themselves and their families.</li> <li>• The people of Wigan are confident that they can live safely and independently in their own homes and community</li> <li>• The people of Wigan know that they can access the care and support they need</li> <li>• The people of Wigan are taking more control of their lives and are less dependent on public services.</li> </ul>	<ul style="list-style-type: none"> <li>• The cycle of dependency on public services is reduced.</li> <li>• Services are responsive enough to reflect the changing needs of our residents, supported, where appropriate, through a locality model of service delivery.</li> <li>• Your council commissions services to ensure the best use of public money; we still directly provide services where we offer the best value for money.</li> <li>• Your council is an excellent community leader, working with new and existing partners to achieve the best for the borough.</li> </ul>
↓	↓	↓
<b>Housing Strategy Vision 2026</b> Wigan is a place with a range of good quality, affordable housing that meets the aspirations of residents and supports sustainable growth. All areas of the borough are attractive places to live with neighbourhoods that are safe, clean and inclusive. People are healthy and active and receive the support they need.		
<b>Key Housing Delivery Programmes</b>		
Housing and Affordable housing delivery. ALMO+ Quality Private Rented Sector Housing	Prevention of Homelessness	Connecting Housing With Care Welfare Reform
↑	↑	↑
<b>English Housing Strategy</b>		
<ul style="list-style-type: none"> <li>• Increasing the supply of housing</li> <li>• Social housing reform</li> <li>• A thriving private rented sector</li> <li>• Reducing Empty Homes</li> <li>• Quality and sustainability of homes</li> </ul>	<ul style="list-style-type: none"> <li>• Protecting the vulnerable and disadvantaged;</li> <li>• Localism</li> </ul>	<ul style="list-style-type: none"> <li>• Greater choice and support for Older People to live independently</li> <li>• Introducing Universal Credit and Welfare Reforms</li> </ul>

8.3 From this analysis it is proposed that the Housing Strategy should over the medium term concentrate on:

- Maximising Housing and Affordable Housing Delivery:- To address current shortfalls and to help develop the local economy
- Connecting Housing with Care:- To address changing housing needs and to seek to reduce long term demand pressures on care services
- ALMO+ delivery:- To maximise housing and wider opportunities within some of our most deprived communities via stronger links with Wigan and Leigh Housing
- Quality in the Private Rented Sector :- To seek to influence trends in private sector housing
- Prevention of Homelessness:- To maintain progress in meeting the needs of the homeless / those in severe housing needs
- Welfare Reform:- To help minimise the effect of welfare reform on the most vulnerable and to ensure income streams are maintained

8.4 A description of each of these six programme outlines is set out in Appendix 2. In overall terms they are designed to:

- Maximise outcomes (both housing / wider);
- Concentrate attention on key issues;
- Foster even more partnership working.

8.5 Based on this analysis and the programme outlines, a more detailed Action Plan will be developed setting out individual programmes / targets. It is being developed in liaison with partners and will be subject to further consultation. Once this has been completed it is proposed that this will be agreed by the Corporate Director Places in consultation with the relevant Cabinet Member.

## **9.0 Conclusion:**

9.1 This report outlines the changes that have taken place in terms of the local housing market and the policy context since the launch of the Housing Strategy Vision 2026 in 2009. Although the long term Vision 2026 remains valid, the report advocates a change in focus in the short to medium term, in order that our contributions to improving our housing situation remain relevant and effective. Most importantly it also gives regard to maximising housings contribution to corporate and wider aims.

9.2 The report is the culmination of a review process which started with the Housing Partnership away day with key partners over the winter and has taken account of various consultative forums ranging from homelessness, private rented sector, developers and older people. It has also included on-going housing initiatives such as ALMO + and the work on Connecting Housing and Care.

## Appendix 1 – Housing Strategy Performance Indicators 2009-12

Quantity							
Indicator	2008/09	2009/10		2010/11		2011/12	
	Outturn	target	Outturn	target	Outturn	target	Outturn
Number of net homes provided (former NI154)	780	400	433	600	451	400	185*
Number of affordable homes delivered (gross) (Former NI155)	38	85	42	157	162	80	73
Number of additional affordable homes made available through LA interventions (local)	264	400	311	530	641	196	213
Percentage of private sector homes empty for more than 6 months (Local)	2.83%	2.70%	2.70%	2.60%	2.50%	2.50%	2.44%
Number of empty homes returned to use or demolished with LA advice or action (Local)	64*	2500	1525	6120	5740	5600	1397
percentage of homes built on previously developed land	87.30%	80%	91.50%	80%	PI deleted		

Quality							
Indicator	2008/09	2009/10		2010/11		2011/12	
	Outturn	target		target		target	
Percentage of non decent council homes (Former NI158)	5%	3%	3%	2%	1.63	2%	1%
Local authority tenant satisfaction with landlord service (Former NI160)	87%	87%	87%	87%	87%	90%	Pending STAR
Number of non decent homes within the private sector made decent (Local)	80	80	70	80	48	50	43
Percentage of private sector stock having Cat 1 hazard under HHSRS	PI never recorded						
Average SAP rating of private sector housing	60	62	60	64	PI deleted		
Percentage of households on income related benefits in fuel poverty	5.11%	5.05%	3.80%	5.00%	PI deleted		
Number of AWARM referrals completed				New indicator	296	300	295

People							
Indicator	2008/09	2009/10		2010/11		2011/12	
	Outturn	target		target		target	
Number of households living in temporary accommodation (Former NI156)	59	30	22	19	15	19	24
Percentage of households whose homelessness is prevented or relieved through positive action	43.8%	45%	76%	50%	84%	PI deleted	
No. of households per 1000 in the borough whose homelessness is prevented or relieved by through positive action (local)	New indicator				8.00	7.00	7.07
Percentage of vulnerable people achieving independent living (Former NI141)	84.1%	79.0%	84.5%	83.6%	98.9%	85.0%	86.5%
Percentage of vulnerable people who are supported to maintain independent living (Former NI142)	98.2%	98.7%	97.7%	98.8%	98.1%	98.5%	98.4%
Net additional housing support services provided	202	700	452	495	PI deleted		
Percentage of social tenants of working age in work, education or training	32.25%	32.25%	32.25%	35%	32.25%	PI deleted	

\* interim figure

NB – The indicators were revised and new targets set following the removal of the National Indicator Set in 2010/11

## Appendix 2 – Programme Outlines

### Housing Strategy – Maximising Housing and Affordable Housing Delivery

#### Background and achievements to date

**Vision: Wigan is a place with a range of good quality, affordable housing that meets the aspirations of residents and supports sustainable growth.**

As a result of the long term trend of house prices outstripping wages and an historically low level of affordable housing delivery, Wigan has an estimated need for an additional 277 affordable homes each year.

The introduction of affordable housing planning requirements in 2006 and new funding opportunities for the Council to build new affordable homes has boosted the supply over the last three years. In addition to these new developments there has been significant activity in further boosting supply by the bond scheme and the various council / Wigan Housing Solution initiatives in leasing / managing private accommodation.

However, the continued recession and impact on development viability, funding availability, house building rates and the accessibility of the mortgage market is continuing to restrain the delivery of more affordable homes meaning that long term shortage will continue.

The aspirations to regenerate the borough and develop key strategic sites offer new opportunities to deliver a mix of homes to meet the needs of emerging households, particularly older households, and needs to include suitable provision of affordable homes for both rent and sale.

#### Affordable Housing delivery 2008-2012

Indicators	2008/09	2009/10		2010/11		2011/12	
	outturn	target	outturn	target	outturn	target	outturn
Additional units built or acquired							
LA (inc ALMO)	0	0	0	66	66	39	39
RSL Rented	12	27	27	61	61	10	10
RSL Intermediate rent	0	0	0	0	0	0	0
RSL S/O shared equity	11	58	15	26	31	31	24
Non LA/RSL social rent	14	0	0	0	0	0	0
Non LA/RSL intermediate rent	0	0	0	0	0	0	0
Non LA/RSL S/O shared equity	1	0	0	4	4	0	0
<b>Total</b>	<b>38</b>	<b>85</b>	<b>42</b>	<b>157</b>	<b>162</b>	<b>80</b>	<b>73</b>

Future Challenges	Impact	Housing Response	Wider Benefits
<p>The continued recession is resulting in few new housing developments being built due to viability issues.</p> <p>Welfare reform is likely to influence demand for certain property types in the private and social rented sector.</p> <p>The introduction of Affordable Rents and the new HCA funding programme has resulted in grant rate cuts to support affordable housing and conversions of existing tenancies to support new development.</p> <p>New opportunities to develop within the Housing Revenue Account through self financing, including RTB replacement.</p> <p>The introduction of the Local Development Framework Core Strategy will influence future housing delivery, with an estimated need for 1,000 homes per annum.</p> <p>Delivery of a number of key strategic sites, Bickershaw, North Leigh and Westwood.</p>	<p>Reduction of S106 affordable housing obligations and fewer opportunities to deliver low cost home ownership schemes. Difficulty in securing development finance and mortgages. Reduced New Homes Bonus receipt to the Council.</p> <p>Demand for larger homes is likely to reduce due to the introduction of the bedroom tax. Demand for smaller properties is likely to increase, however, availability, particularly in the social sector is limited, resulting in a stock imbalance between supply and demand.</p> <p>Investment in new affordable homes reduced and financial capacity to deliver the programme.</p> <p>Potential to deliver a significant new build programme within the ALMO+ business plan to help meet the shortfall of affordable homes.</p> <p>The key locations for housing growth will be identified and the forecast numbers and types of homes indicated up to 2026.</p> <p>A large proportion of our future housing provision will be delivered at key sites across the borough.</p>	<p>Developing flexible solutions to securing affordable housing obligations on private developments. Working with developers to find new solutions bring development forward.</p> <p>To develop our understanding of the impact of welfare reform on demand for homes and to plan to meet resultant shortfalls through the development of new homes.</p> <p>Work with Registered Providers to identify and deliver schemes that meet needs and offer value for money. Consider assistance such as the use of council land to develop schemes.</p> <p>In partnership with the ALMO, identify suitable development opportunities that offer value for money and meet needs, particularly through the use of council owned sites.</p> <p>Work with planners and developers to maintain robust evidence base to inform the delivery of market and affordable homes across the borough.</p> <p>Use our evidence base to ensure homes meet future needs and work with planners and developers to bring forward a mix of tenures, including affordable housing at key strategic sites.</p>	<p>Impact upon the housing market and wider economy through stimulating growth and jobs. Bringing land into use for housing development and improving the availability of homes.</p> <p>People are suitably housed and financial burden upon low income families is minimised. Demand on housing and debt advice services reduced.</p> <p>Reduced pressure on the waiting list, reduced homelessness and improved households welfare and finances through better affordable housing.</p> <p>As above, also contributes to the regeneration of estates to provide better neighbourhoods. Will provide training and employment opportunities for local people.</p> <p>Housing development is planned and delivered to support the wider economic regeneration of the borough and to create sustainable communities.</p> <p>Development of key sites is linked to infrastructure, jobs and economic growth. Neighbourhoods are transformed in terms of quality of life and environmental quality.</p>

## **Housing Strategy – ALMO + Initiative**

### **Background and achievements to date**

From April 2012 the Government changed the housing finance rules, (Housing Revenue Account self-financing) and despite increasing debt overall, the Council has greater flexibility / freedom in terms of developing its housing business over the long term.

This led to consideration of how these new opportunities could be best developed. After consideration of a number of options the concept of the ALMO + was seen as being able to build on the success of Wigan and Leigh Housing. Basically ALMO + describes the development of the ALMO role beyond its basic housing management duties. The key aim being to seek how best value can be obtained for both the council and ALMOs in meeting housing and wider community needs.

It is important to realise that this concept is not rigid and is in reality a series of initiatives that can be developed to best meet local objectives.

The added value priorities agreed for the immediate future are:

- Provide more homes by developing the New Build / Regeneration Partnership with the Council (incorporating older peoples priorities / training / apprenticeships);
- Developing Financial Inclusion on estates including rent collection and provision of financial, debt and welfare advice;
- Developing a more flexible long term relationship with Wigan and Leigh housing via the agreement of a new outcome based contract and consideration of the development of a charitable trading arm.

Additional initiatives such as the promotion of community enterprise, public health and corporate objectives would sit alongside with consideration of further initiatives in the future that would benefit both WALH and the Council.

Future Challenges	Impact	Housing Response	Wider Benefits
<p>Provide more homes by developing the New Build / regeneration Partnership with the council (incorporating older people's priorities training / apprenticeships).</p>	<p>Demand for affordable housing likely to increase and due to demographics / welfare reform the need for smaller properties will be strong.</p>	<p>See Affordable Housing.</p>	<p>See Affordable Housing.</p>
<p>Developing financial inclusion on estates including rent collection and provision of financial, debt and welfare advice.</p>	<p>Welfare reforms and the continued economic situation have the potential to significantly worsen resident and the Council's financial position.</p>	<p>See Welfare Reform.</p>	<p>See Welfare Reform.</p>
<p>Developing a more flexible long term relationship with WALH via the agreement of a new outcome based contract and consideration of the development of a charitable trading arm.</p>	<p>The changes in the HRA financial reforms, the reduction in Council / wider public sector resources and the success of the ALMO model.</p>	<p>Develop a new contract and move to a more productive "outcome" based relationship with WALH.</p>	<p>More flexible use of resources possible, better service provision and more flexible responses to problems.</p>
<p>Consider other initiatives that would benefit WALH and the Council.</p>	<p>There are major changes in the funding / delivery of public services. Flexible responses to future challenges needed.</p>	<p>To be proactive to future changes working in a flexible way.</p>	<p>To be proactive to future changes, working in a flexible way.</p>

## **Housing Strategy – Welfare Reform Project**

### **Background and achievements to date**

Welfare benefit reform aims to reduce dependency on benefits, provide incentives for people to work and reduce under occupation of rented accommodation, a summary of these changes are:

- Local Housing Allowance is fixed at 30<sup>th</sup> percentile from April 2011
- Shared room rate – from January 2012 this has been extended to claimants aged between 25 to 35 living in private rented accommodation can only claim shared accommodation rate rather than 1 bedroom rate from January 2012
- Bedroom tax - from April 2013 - anyone of working age who is under-occupying their property by one bedroom or more (people who are disabled and need an additional bedroom for a carer are exempt) will have their housing benefit cut by 14% for 1 bedroom and 25% for 2 bedrooms.
- Benefit cap from April 2013 – limited to £500 per week for families and £350 per week for childless single adult households – affects 126 households within Wigan Borough
- Universal Credit (UC) – September 2013 to October 2017 - will replace all work related benefits, including Housing and Council Tax Benefit. The move, part of the Government's personalisation agenda, aims to give individuals responsibility to manage their own benefits so they understand and recognise that work pays. What it means in practice though is that UC will be paid directly to the individual who will then make payments to cover their rent and Council Tax. al credit
- September 2013 – Wigan are one of 4 pathfinder authorities and from April 2013 will see a sub set of residents, including tenants, move to Universal Credit six months earlier. This gives us the opportunity for testing and preparation in advance of the migration of all claims over the next 5 years.

The impact of these changes poses a major threat to tenant, Council and Registered Provider income, WALH will have an extra £51 million to collect in rent directly from tenants as a result of the introduction of universal credit. It also poses a challenge to the rapidly expanding private rented sector provision and it is expected to have a significant effect on how housing needs are translated into actual housing activity.

Future Challenges	Impact	Housing Response	Wider Benefits
<p>Vulnerable people face financial pressure due to reduced benefits.</p> <p>High proportion of WALH households of working age are in debt.</p> <p>The impact of welfare reform could reduce the availability of properties in the private rented sector as landlords feel the risks are too high and therefore move away from applicants reliant upon benefits.</p> <p>DWP aims to have 70% of all claims for Universal Credit and changes to benefits conducted on line without support by 2017.</p>	<p>Increase in the numbers of people with wider financial debt problems; increase in pay day loans and illegal lenders.</p> <p>Increase in rent arrears, potential increase in crime and disorder, illegal trading.</p> <p>Further polarisation of market rental areas and increased pressure on social housing waiting lists.</p> <p>A high proportion of households do not have access to on line facilities (66% of WALH tenants do not have access to the internet).</p>	<p>Link with the Council's various landlords / advice agencies to jointly help provide a focused and targeted financial advice, support and information services.</p> <p>Tackle existing debt problems by providing training on money management, budgeting. Deliver pre tenancy workshops.</p> <p>Support and advice to landlords through forums, bulletins, landlord accreditation and WHS social letting agency services.</p> <p>Improve access to the internet through the development of internet hubs for community access.</p>	<p>Engagement with voluntary / community sector social enterprises, Effective advice services to help tenants maximise income and employment /education opportunities.</p> <p>Improved financial independence and increased self-reliance.</p> <p>Increased community cohesion / reduced negative housing market effect.</p> <p>Increased self reliance, dependency on staff resources is reduced.</p>

## Housing Strategy – Connecting Housing with Care

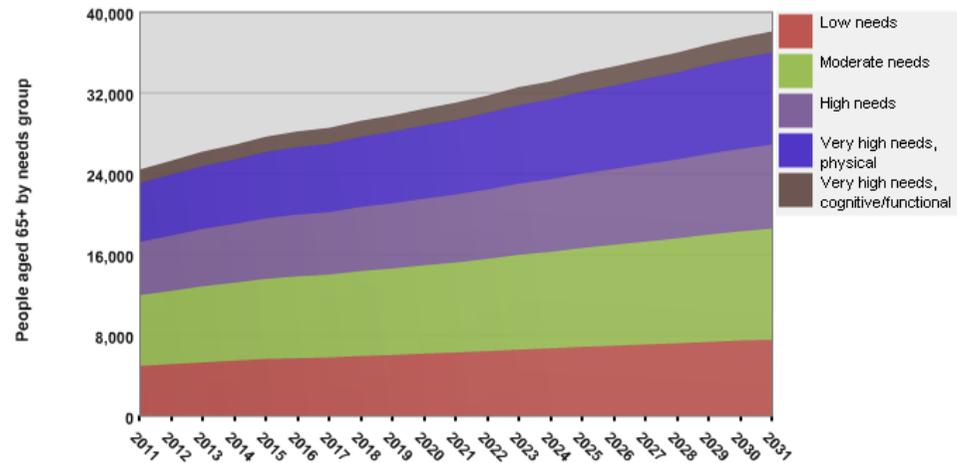
### Background and achievements to date

**Vision – by 2022, Wigan will have a diverse and affordable housing and care market that meets the needs of older people and other vulnerable adult residents, so that the borough is a good place to live and grow older.**

Earlier work has established that the ageing population and increased demand for social care across all age groups will result in unsustainable pressure on the Council's budget. Existing models of care and support and the currently utilised housing stock are not entirely fit for purpose or will provide sufficient capacity and efficiencies in the longer term.

This new project aims to implement new models of accommodation linked to care based on sound intelligence. The aim is to meet future accommodation and care needs in a more efficient manner and develop the market to better meet the personalised needs of vulnerable residents, regardless of their age, needs or housing tenure. This will position the market to ensure that future care delivered via a personalised resource allocation will be affordable and appropriate to the needs of older people and vulnerable adults with high levels of care needs.

*Projected increase in needs in Wigan (Planning4care 2011)*



Future Challenges	Impact	Housing Response	Wider Benefits
<p>The population of older people in the borough is rising due to people living longer, it's predicted to rise by 16% by 2015 and nearly 50% by 2030.</p> <p>The cost to the local authority of meeting the care needs of older people is estimated to increase by 57% by 2030.</p> <p>People's directorate face savings target of £4.9m currently.</p> <p>Our stock of specialist homes for vulnerable adults and older people is insufficient to meet future needs in terms of quantity and quality of provision.</p> <p>The way in which people access and pay for care and support services is changing through personalisation and self-funders.</p>	<p>The demand for homes and care and support services to meet older people's needs will increase.</p> <p>Current models of service will be financially unsustainable for the authority in coming years .</p> <p>Cuts to levels of provision are likely if efficiencies cannot be delivered.</p> <p>Older and vulnerable households will be housed in unsuitable accommodation, impacting upon their health and wellbeing and on health and social care budgets.</p> <p>Services will need to be delivered in new ways that respond to the customer needs.</p>	<p>Increase public and private investment to develop more accessible homes to suit specialist needs for both rent and sale across the borough, including affordable homes.</p> <p>Housing options delivered need to support delivery of a range of care and support services and links to local services.</p> <p>Housing options provided can support efficiencies in the way care and support services are delivered.</p> <p>In partnership with providers and private developers, deliver new homes and improve existing schemes to better meet needs. Potentially through decommissioning and replacement of obsolete stock.</p> <p>Development of new housing investment and delivery models that offer greater financial benefit to the council and individuals.</p>	<p>Stimulating the economy through creating jobs and investment. Bringing land into use for homes and improving the quality of neighbourhoods.</p> <p>People are better supported in their own homes and neighbourhoods and are less reliant on council funded services.</p> <p>The forecast increase in the council's care budget is reduced.</p> <p>The quality of our homes and neighbourhoods is improved and resident's health and wellbeing is improved.</p> <p>Services are more responsive to the needs of customers and achieve efficiencies in the council's expenditure.</p>

## Housing Strategy – Prevention of Homelessness

### Background and achievements to date

Major progress in transforming the homelessness service has been made since 2008 with services being targeted at prevention, early and timely intervention and arranging support. A summary of the services provided include:

- housing options advice
- working to prevent homelessness
- homelessness investigation and assessment
- provision of short term temporary accommodation
- intensive support to households in temporary accommodation, including assistance with re housing
- ongoing support to new tenants to help maintain the new tenancy and reduce repeat homelessness

Homelessness acceptances, despite the economy, are at one of the lowest levels (both nationally and regionally); we continue to avoid the use Bed & Breakfast; the use of temporary accommodation has reduced; repeat homeless figures are low and action in support of repossessions has increased.

**Table 1: Improvement in performance**

	<b>2006/07</b>	<b>2011/12</b>	<b>Better</b>
Homeless Presentations down from	2,752	609	Yes
Housing Advice cases up from	0	956	Yes
Homeless Acceptances down from	1,051	271	Yes
Prevention cases increased from	272*	1088	Yes
Repeat Homelessness cases	4	1	Yes
Cases in temp at end of year down from	50	24	Yes
Annual B & B costs down from	£183,500	£841	Yes
Violent relationship breakdown cases down from	137	76	Yes

However, during the last 12 months there are signs that demands on the services are increasing when comparing trends with 2010/2011.

Homeless presentations (up 7%),

Homeless acceptances (up 3.56%)

New prevention cases (up by **17%**),

Homeless households in temporary accommodation (up by 60%).

There has also been an increase in the number of cases approaching prevention services with wider debt issues (an increase of 85% during Jan to March 2012 compared with Jan to March 2011).

These trends are expected to continue in the next few years as a consequence of welfare benefit reform.

Future Challenges	Impact	Housing Response	Wider Benefits
<p>Welfare reform – reductions in local housing allowance rates for single claimants, under occupancy charges and introduction of universal credit will over time have a significant effect on housing demand and cause financial hardship for claimants</p>	<p>Increase in the numbers of cases with housing problems caused by wider affordability/debt / hardship issues approaching the homeless prevention service.</p>	<p>Introduce a commissioning framework for new homeless funded projects and target projects that tackle affordability/debt issues/maximising incomes</p>	<p>Engagement with voluntary / community sector social enterprises, maximising incomes linked with training</p>
<p>The impact of the recession and welfare reform will increase demand for HOAC services.</p>	<p>Increased pressure on HOAC services</p>	<p>Further develop our understanding of why people approach the service. Target prevention and support services to those most at risk of homelessness.</p>	<p>Resources are more effectively targeted and services are more responsive to the needs of customers.</p>
<p>The number of homeless cases is on the increase , increase in levels of homelessness</p>	<p>Increase in numbers reaching crisis point requiring temporary accommodation, the council may have to use expensive bed and breakfast accommodation</p>	<p>Strengthen partnership working, with services working together to intervene earlier to tackle the underlying problems and to ensure that those at risk of homelessness get access to integrated and responsive services</p>	<p>Customers will have a better chance of rebuilding their lives. Individuals will receive the help they need to get their lives back on track.</p>
<p>Increased demand for social housing stock</p>	<p>Demand for smaller properties is likely to increase</p>	<p>Provide a range of accommodation options including the private rented sector</p>	<p>Improved housing options for vulnerable people</p>

## Housing Strategy – Private Sector Housing

### Background and achievements to date

**Vision:** All areas of the borough are attractive places to live with neighbourhoods that are safe, clean and inclusive.

Numbers in the private rented sector have more than doubled over the last 10 years with total available properties now estimated to be in the region of 13,000. This growth mirrors national trends driven by the economic situation and in particular the difficulty of entering owner-occupation. Whilst it has caused difficulties in some communities it has helped to provide affordable housing (40% increase in Local Housing Allowance claims from the sector over the last 3 years). In short since August 2009 and February 2012, there has been a 38% (2230) increase in HB claimants living in the PRS, compared to 4.88% in the social sector.

	Social Rented	Private Rented	Total
Aug 09	17610	5860	23470
Mar-10	18010	6570	24580
Sep-10	17830	6900	24730
Mar-11	17980	7360	25340
Sep-11	17860	7410	25270
Mar-12	18470	8090	26560
Increase	860	2230	3090
	4.88	38.05	13.17

In partnership with private landlords the Council has increased the level of good quality well managed properties through its private sector leasing, and along with the management/let only and bond guarantee services provided by Wigan Housing Solutions there is now access to over 300 affordable private rented properties.

Future Challenges	Impact	Housing Response	Wider Benefits
<p>The local housing market has seen a rapid growth in the private rented sector, with estimates predicting a private rented sector of 13,000 properties and increase of 120% in 10 years.</p>	<p>Community neighbourhood concerns in certain older vulnerable housing markets which have seen the most rapid transformations.</p>	<p>Use a selective approach to intervention and increase partnership arrangements through investment and training. Consider initiatives to encourage owner-occupation in certain areas.</p>	<p>Increased employment and business opportunities. Improved housing offers, stabilisation of vulnerable neighbourhoods.</p>
<p>The impact of welfare reform could reduce the availability of properties in the private rented sector as landlords feel the risks are too high and therefore move away from applicants reliant upon benefits.</p>	<p>Further polarisation of market rental areas and increased pressure on social housing waiting lists</p>	<p>Support and advice to landlords through forums, bulletins, training, landlord accreditation, private sector leasing and WHS social letting agency services. Promote opportunities for partnership working.</p>	<p>Improved housing solutions for vulnerable households</p>
<p>Investment in private rented stock</p>	<p>Private tenants are more likely to incur higher energy bills – fuel poverty</p>	<p>Exploit opportunities to improve standards (eg green deal).</p>	<p>Quality of accommodation and resident's health and wellbeing is improved. Growth in employment training opportunities. Financial burden on low income families is reduced.</p>
<p>Possible effect on certain areas of asylum seekers and immigration.</p>	<p>New contract arrangements with Borders Agency and world uncertainties could put pressure on certain areas.</p>	<p>Continue with monitoring arrangements / improve links with voluntary sector organisations.</p>	