

**To: City Executive Board**

**Date: 20th May 2009**

**Item No:**

**Report of: Head of City Development**

**Title of Report: Affordable Housing Commission and Strategic Housing Delivery Group Action Plan**

### **Summary and Recommendations**

**Purpose of report:** To agree the Action Plan for the Strategic Housing Delivery Group in response to the Oxford Strategic Partnership Select Committee Report on Affordable Housing (Housing Commission Report)

**Key decision?** No

**Executive lead member:** Councillor Turner

**Report Approved by:**

**Executive Director:** Mel Barrett

**Finance:** Chris Kaye

**Legal:** Jeremy Thomas

**Environmental Development:** John Copley

**Policy Framework:** More housing, better housing for all

**Recommendation(s):** That the City Executive Board:

1. Thanks the Chair of the Affordable Housing Commission for the Panel's Report
2. Agrees the Action Plan.

### **Background**

#### **Oxford Strategic Partnership Select Committee Report on Affordable Housing**

1. The Oxford Strategic Partnership (OSP) had for a long time considered that the lack of affordable housing was one the most serious issue facing the City. So it decided back in 2006 to set up a select committee process to look closely at the matter under the lead of an independent chair. A

Panel was formed of members with local influence and housing expertise. Three formal panel meetings took place in May and June 2008.

2. The Panel sought to avoid well –trodden ground from earlier analysis but to focus on some of the more intractable barriers while at the same time being pragmatic and honest in their recommendations. The findings from both preparatory work and the Panel meetings were summarised by the Chair before being approved by the Panel. The report was presented to the OSP in October 2008.
3. The report concludes that there are no easy solutions for Oxford's affordable housing shortage however there are actions that it considers can be implemented immediately and will have a beneficial effect within 12 to 18 months. There are also areas for further assessment and review which could provide more significant benefits in the medium term.
4. The report is wide ranging in its presentation of the issues and recommendations. It has offered recommendations for the City Council to consider as well as the OSP itself together with neighbouring authorities and regional agencies.
5. A number of key themes emerge from the report:
  - The importance of rebalancing the supply of housing. Coming forward with a greater strategic focus on the intermediate housing market. This can offer housing below market, often without public subsidy, and without reducing the supply of affordable housing.
  - Exploring innovation ways to make the most effective use of land. Through some flexibility in the application of policy to such matters as density.
  - Planning policy should be a means to an end. Greater flexibilities could provide more incentives to the private sector to build and make greater contributions towards affordable housing.
  - Greater collaboration should be pursued between stakeholders. In particular with the private sector to dispel mutual suspicion.
  - The importance of the Central Oxfordshire sub-region. There should be dialogue at this level to finding a shared solution to Oxford's affordable housing shortage.

#### **The status of the Select Committee Report**

6. The report has been received and endorsed by the OSP, who have commended it to its members to consider. The OSP asks its partners to pick up those suggestions that fall within the latter's own remit. The OSP has also agreed to receive feedback on progress towards the end of 2009 (after 12 months).

7. The report itself, and the OSP in its turn, has no formal weight. It falls to the City Council's Executive to consider the report and decide whether it wishes to take up all or any of the recommendations put forward.

**Officer comment**

8. The report and in particular the recommendations that are applicable to the City Council has been considered by the Strategic Housing Delivery Group (SHDG). The SHDG is a group of senior officers under the chair of the Executive director of Regeneration that reports to the Strategy and Resources Board. Its terms of reference are appended. The Group has prepared the attached Action Plan. This identifies all those tasks that are considered appropriate for the City Council to act upon. The Plan also provides details of the specific action necessary, an indication of its relative priority, by whom and by when.
9. The Action Plan includes almost all the Select Committee recommendations pertinent to the City Council. However it suggests that highest priority should be given to those that best align with corporate priorities and for which there are the appropriate resources.
10. Good early progress is being made. A senior level meeting of Members and Officers has been held with the Regional Director of the Homes and Communities Agency. This was a positive meeting and confirmed the HCAs commitment to working closely with the City council and to fund the initial feasibility work at Barton. Work has also progressed to establish a strong project team, drawing on planning property and housing expertise, under the leadership of a dedicated project manager. This team will actively bring forward the delivery of a number of residential sites and begin the work to master plan estate based regeneration. Additional resources are to be drawn from New Growth Point grant.

**Value and Performance Scrutiny Committee meeting on 2<sup>nd</sup> February 2009**

11. This scrutiny committee considered the report at its February meeting. It raised the following key issues:
  - The select Committee was not an executive body - action on its recommendations were a matter for the relevant executive bodies to decide upon.
  - A new OCC Strategic Housing Delivery Group had been set up. It was looking at the Select Committee's recommendations and would build up a work programme around identified priorities.
  - There was disappointment that the select committee had chosen not to address issues relating to the green belt.
  - Although the Committee understood that the select committee had been striving for consensus it would in fact be more useful in some

cases to have received a majority/minority report showing different opinions.

- There was mention of insufficient land for employment but in the economic downturn that was unlikely to be a pressing issue and more emphasis should be given to identifying land for affordable/social housing.
- There was great concern over the proposal to raise the threshold for provision of affordable housing from 10 to 25. It was felt that this could lead to a lot of applications for 24 house developments. However, it was acknowledged that currently small developments contribute nothing towards affordable housing, and if the threshold could not be lowered it would be worth looking at using commuted payments to set up a fund for social/affordable housing.
- There was support for having another look at the development of small sites (such as garage sites) for social or affordable housing and innovative ways of enabling social or affordable housing provision must be considered.
- The issue of remodelling Council estates and underused land had to be balanced with ensuring local estates were “liveable”, sustainable and took on board the voice of local communities.
- Shared ownership schemes had little relevance in Oxford because house values were too high.
- There was some uncertainty among members as to whether Land Trusts would fit within the Council’s policy of needs based allocation but Jock Coats explained that Land Trusts could work in this way and he believed that they could be a valuable additional way of providing social or affordable housing that was worthy of consideration.
- Graham Stratford said that the Government mortgage scheme was up and running although to date no applications had been submitted in the City as a result of threat of repossession. He added that it seemed banks were dealing sympathetically with applications for a three-month mortgage holiday for those in difficulty, in accordance with the Government’s wishes.
- Graham Stratford also advised that work was underway on a strategy for empty homes. The Committee asked to see the draft strategy prior to submission to the City Executive Board.

12. It resolved to:

- (1) Thank the Oxford Strategic Partnership for its detailed work and the opportunity provided for further discussion.

- (2) Note the positive comments of the Head of Community Housing and Community Development regarding the Government's mortgage rescue scheme.
- (3) Suggest that discussion on remodelling of estates through local stock transfer should not be ruled out if there was strong local support for such action, but confirm that tenants' views should always be paramount.
- (4) Express concern at the recommendation on raising affordable housing thresholds to 25, but recognise the value of looking at issues to maximise methods by which more social and affordable housing could be built in the city.
- (5) Ask officers to take account of the Committee's comments when drawing up a report to the City Executive Board on the City's response to the OSP's recommendations.

13. The relevant Key Issues will be borne in mind as the relevant tasks in the Action Plan are implemented.

### **Climate Change**

14. Climate change implications will be a key matter to be considered as the various tasks listed in the Action Plan are progressed. For example the City Council will wish to ensure that any new development at Barton or South of Grenoble Road should be built to the highest sustainable standards possible.

### **Equalities**

15. A key objective in the provision of new housing whether on small schemes or with the larger development contemplated is that the City Council emerging equalities standards are fully met.

### **Finance**

16. There are no financial implications relating to the preparation of the Action Plan. However, the preparation of the 2009/10 budget and the two years beyond has given importance to this Council's objective of delivering affordable housing. Securing external funding, such as New Growth Points and contributions from the Homes and Communities Agency, will be a key part of the work associated with each task. Reports coming forward on specific projects will include a full financial assessment.

### **Legal**

17. There are no direct legal implications flowing from this report. However further reports and as necessary funding requests will be prepared flowing from the work on the Action Plan.

### **Risks**

18. See Risk Register appended.

19. On the individual projects themselves the City Council will need to prepare individual risk assessments especially where the Council is taking a lead role in any delivery mechanism.

### **Conclusion**

20. Whilst the Select Committee report has no formal status it has been prepared at the behest of the OSP and under an independent chair. It provides a very robust and mature appraisal of the affordable housing crisis in the City and its recommendations are broad ranging and substantial. The attached Action Plan, prepared by the Strategic Housing Delivery Group, picks up for further consideration all the recommendations in the Select Committee report that are pertinent to the City Council. This Action Plan however, has given priority to those recommendations that are aligned most closely with the City Council's own corporate priorities.

### **.Recommendation(s):**

That the City Executive Board:

1. Thanks the Chair of the Affordable Housing Commission for the Panel's Report
2. Agrees the Action Plan.

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**Background papers:** none

**Version number:** 6

28th April 09

**OXFORD CITY COUNCIL  
STRATEGIC HOUSING DELIVERY GROUP**

**TERMS OF REFERENCE**

The Strategic Housing Delivery Group is a high level grouping of officers which will:

1. Proactively respond to the challenges and recommendations set out in Oxford Strategic Partnership's Housing Commission to increase housing supply in Oxford and to ensure that investment in housing supports the City's wider regeneration agenda.
2. Proactively seize opportunities that exist in the current market climate, in the context of current government appetite to increase housing numbers and minimise repossessions, through direct action and effective partnership working through external partners.
3. Ensure work of the Strategic Housing function, OCH landlord function, Environmental Development Planning are co-ordinated.
4. Oversee revision and review of the Housing Strategy.
5. Increase the supply of affordable housing and reduce cost of temporary accommodation.
6. Assess the feasibility/ desirability of the Housing Company option for the growth, development and management of social housing stock.

**Group membership**

Mel Barrett (Chair)  
Peter Sloman  
Graham Bourton  
Graham Stratford  
Michael Crofton – Briggs  
Steve Sprason.  
John Copley  
James Edwards  
Roy Summers

Other officers to attend as required by the agenda.

## CEB Report Risk Register:

Risk Score **Impact Score:** 1 =Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic **Probability Score:** 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain

No.	Risk Description Link to Corporate Obj	Gross Risk		Cause of Risk	Mitigation	Net Risk		Further Management of Risk: Transfer/Accept/Reduce/Avoid		Monitoring Effectiveness				Current Risk	
		I	P			I	P	Q 1	Q 2	Q 3	Q 4	I	P		
1	Under provision of affordable housing in Oxford.	4	4	This risk not only remains but is heightened in the short term by the current recession  Reduction in new starts.	Mitigating Control: Level of Effectiveness: (HML) OSP was commission to prepare its report from the Select Committee.  Work is in hand as set out in the Action Plan. In particular to see what can be done to re-invigorate in particular the building of affordable housing.	3	4	Action: Action Owner: Graham Stratford  Mitigating Control: The Strategic Housing Delivery Group  Control Owner: Mel Barrett	Outcome required:  150 affordable units pa  Milestone Date: Quarterly monitoring	☹	☹	☹	☹		
2					Mitigating Control: Level of Effectiveness: (HML)			Action: Action Owner:  Mitigating Control: Control Owner:	Outcome required: Milestone Date:						



**Strategic Housing Delivery Group**  
**ACTION PLAN flowing from OSP Select Committee report**

<b>Task</b>	<b>Priority</b>	<b>Action</b>	<b>By when</b>	<b>Responsibility</b>
<b>Regeneration Directorate</b>				
<p>Review of public sector land</p> <p><i>Asset Management policy on disposal of Council's own land</i></p> <p>What is the Council's prime objective? Is it a capital receipt or affordable housing (or a mix of both)?            If capital receipt - what is receipt used for? e.g. what percentage can be used to match fund new affordable housing schemes with HCA?</p>	High	<p>Further articulation of policy in Asset Management Plan</p> <p>Workshop or dedicated meeting of SHD Group to debate matter:  <b>Report to CEB</b></p> <p>Initiate Major Projects Delivery Team</p>	April 09	Head of Property
<b>Property</b>				
Lead on developing options for better use of car parks for integrated housing use, including variations to policy to encourage use and proactive work with car park owners.	High	Already progressing St Clement's Car Park. Other potential at Diamond Place and Worcester St	Mar 09	Head of Property
<p>Identify land swaps – site assembly</p> <p>Identify small Council site for pilot intermediate housing development</p>	Medium	Identify officer resource	Summer 09	Head of Property

**Strategic Housing Delivery Group  
ACTION PLAN flowing from OSP Select Committee report**

<b>Task</b>	<b>Priority</b>	<b>Action</b>	<b>By when</b>	<b>Responsibility</b>
<b>Community Housing</b>				
Articulate housing vision for Oxford reflecting a broad socio economic group and scarcity against which the effectiveness of planning policy can be measured	High	Housing strategy refresh Start summer 09	Autumn 2009	Strategy and Enabling Manager
Initiate round table discussions with private developers to develop mutual understanding, explores supply opportunities and validates planning policy	High	Strategic Director met HBF Hold workshop with local private house builders	April 09	Sebastian Johnson
<i>Housing Delivery Programme or Schedule What delivering in 08/098 Estimate of delivery in 09/10</i>	High	Site by site list, capacity, delivery, barriers, timescale. Liaison with Policy and the SHLAA Liaison with land owners and developers, as necessary To be put to SHD Group at Apr meeting	April 09	Steve Northey
Develop intermediate housing strategy  Would be a radical change from current policy to only seek to meet greatest needs.	High	Establish as a Major Project, with PIB Project board etc.	Early 2010	Strategy and Enabling Manager
		Proactively review intermediate housing options and providers		
		Establish intermediate housing definition		
		Support policy of developing intermediate housing without public subsidy on small sites unsuitable for family housing		

**Strategic Housing Delivery Group**  
**ACTION PLAN flowing from OSP Select Committee report**

<b>Task</b>	<b>Priority</b>	<b>Action</b>	<b>By when</b>	<b>Responsibility</b>
		Adopt appropriate guidelines for intermediate housing covenants		
		Set up centralised portal for sale and resale of intermediate housing		
		Establish definition for non public sector key workers and include in intermediate and employer led development policies		
Initiate strategy for sub-regional collaboration and cross boundary working between Districts	Medium	Current review of partnerships by the Oxfordshire Public Services Board	Spring 09	Corporate Partnerships Manager
Assess financial status and capacity of local RSLs to develop over medium to long term	High	Annual performance assessed already together with review meetings. Hold roundtable with RSLs to understand financial standing in the current recession	April 09	Head of Community Housing
Assess potential for self-build project  Identify small Council site for self build project in partnership with local RSL	Low	Current LAA 1 bid by Oxfordshire Housing partnership  If fails pick up in the Autumn 10	Jun 09	Head of Community Housing
Assess potential for Community Land Trust	Low		2010	Strategy and Enabling Manager
Establish Under Occupation Officer post to work on pilot project	Medium	Currently a LLA1 BID through the Oxfordshire Housing Partnership If this fails possibility of City only scheme can be considered	Jun 09	Head of Community Housing
Review options for increasing use of private rented sector Extend rent deposit schemes	Low	Already a substantial scheme Could be reviewed in 18 months.	2010	Strategy and Enabling Manager

**Strategic Housing Delivery Group**  
**ACTION PLAN flowing from OSP Select Committee report**

<b>Task</b>	<b>Priority</b>	<b>Action</b>	<b>By when</b>	<b>Responsibility</b>
Establish sector liaison officer post	Low		2010	Head of Community Housing
<b>Environmental Development</b>				
Investigate extension of licensing scheme to sector	High	Lobby Government on special case If agreed: commence scheme Autumn 09 If not agreed: submit revised application Autumn 09	Jun 09	Head of Environmental Development
<b>Spatial Policy</b>				
Make Affordable Housing Policy more effective	High	Development Management DPD Start April 09 then Affordable Housing SPD Start Spring 2010 Matt Bates, Project Manager	Draft DPD Autumn 09  Draft SPD Winter 2010  Adopted both Spring 2012	Spatial and Economic Development Manager
Work proactively with the universities to increase proportion of students housed in purpose built accommodation	Low	Ongoing. A number of recent planning permissions granted and a number of current pre-application discussions underway. The market is very interested in this type of accommodation during the recession. Schedule to SHD Group	Apr 09	Spatial and Economic Development Manager
Facilitate wider understanding of planning policy to promote key worker housing on	Medium	Dialogue with Hospitals and other public sector land owners.	Summer 09	Spatial and Economic

**Strategic Housing Delivery Group**  
**ACTION PLAN** flowing from OSP Select Committee report

<b>Task</b>	<b>Priority</b>	<b>Action</b>	<b>By when</b>	<b>Responsibility</b>
publicly owned sites				Development Manager
<b>Oxford City Homes</b>				
Assess remodelling potential on Council estates	High	Local Housing company under consideration	Jun 09	Head of OCH
Investigate potential for property conversions/ extensions to increase housing density	Low	In past had 'larger property extension scheme' Potential once achieved Decent homes?	2010	Head of OCH