



**Prosperous Communities
Committee**

Tuesday, 22 October 2019

Subject: Viable Housing Solution: addressing Vulnerable Communities

Report by:	Executive Director for Economic and Commercial Growth
Contact Officer:	Diane Krochmal Lead Officer Housing Strategy Coordination diane.krochmal@west-lindsey.gov.uk
Purpose / Summary:	To update Members on work to date investigating the principle of establishing a Social Lettings Agency

RECOMMENDATION(S): that Members

- 1) support the progress made in developing a viable housing solution (initially for Gainsborough SWW) that responds to the housing need of our vulnerable communities in line with Corporate Plan objectives
- 2) Endorse the objectives (set out at 4.1) for the potential solution; and
- 3) Ask officers to bring a preferred option to committee no later than February 2020

IMPLICATIONS

Legal: None

(N.B.) Where there are legal implications the report **MUST** be seen by the MO

Financial : FIN/81/20/TJB

There are none at this time

(N.B.) All committee reports **MUST** have a Fin Ref

Staffing : None

Equality and Diversity including Human Rights :

NB: Please explain how you have considered the policy's impact on different groups (for example: young people, elderly, ethnic minorities, LGBT community, rural residents, disabled, others).

Data Protection Implications : None

Climate Related Risks and Opportunities: none

Section 17 Crime and Disorder Considerations:

Health Implications: As a wider determinant of health access to safe, suitable housing which is affordable will have a positive impact on the health and wellbeing of residents

Title and Location of any Background Papers used in the preparation of this report :

Risk Assessment :

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

- 1.1 On 29th January 2019 prosperous Communities considered a report prepared in response to a motion to Full Council in 2018, reporting back on the need and viability of setting up a West Lindsey Housing Company.
- 1.2 At that time the Council's Home Choices and Private Sector team had an intention to set up a Social Lettings Agency (SLA), which would further inform the Council's intelligence on housing need; and in part deliver the benefits members sought from a Local Authority Housing Company.
- 1.3 Critical to establishing a mechanism to deliver such benefits would be to determine and evidence both the need and the viability
- 1.4 It was resolved that: -
 - a) There was insufficient evidence of need and viability to warrant and necessitate setting up a West Lindsey Housing Company at the current time; and
 - b) Officers be authorised to investigate the principle of establishing a Social Lettings Agency in order to bring back a viable proposal to Committee
- 1.5 This report seeks to update Members on the progress that has been made in developing a viable housing solution that responds to the needs of one of the districts vulnerable communities.

2 Background

- 2.1 Over the last 10 months officers have undertaken a systematic review of both housing need (specifically the role that the private rented market plays in effectively "masking" need) and the options available to WLDC to intervene in the housing market to create a viable housing solution, initially for Gainsborough. This review was aligned to the audit and review of the Place Based Strategy for Gainsborough approved by Prosperous Communities committee in 2017.
- 2.2 Fundamental to this has been obtaining a better understanding of need which has been reached through the following initiatives, processes and functions;
 - Ongoing work of the Private Rented Sector Officer
 - Analysis from Housing Benefit
 - Emerging evidence of need and social issues through the selective licensing project
 - A review of the business case for a Social Lettings Agency
 - Bringing together all aspects of housing and communities work under our Housing Board
 - Consideration of best practice through the review of the Place Based Strategy and work in relation to the Alchemy event and bid to Local Access (see 3.5 and 3.6 below).

- An understanding of why Gainsborough is an attractive option to other authorities as a tool to prevent or relieve homelessness

3 Scope

- 3.1 The West Lindsey Corporate Plan recognises that some areas of the district are amongst the most deprived in the country with the impact of deprivation being multi-faceted affecting housing standards, community cohesion, anti-social behaviour and educational attainment all of which have a negative impact on the health and wellbeing of our residents. Addressing the causes and impact of deprivation has therefore been a major focus.
- 3.2 Vulnerable communities within West Lindsey are characterised by compounding environmental and socio economic risk factors that have a negative effect on the lives of those living in such communities. Issues within these communities also adversely impact the Council's ability to realise the potential of its growth ambitions i.e. the opportunity cost of enforcing ASB and the private rented market and the continued stigmatisation of down town Gainsborough.
- 3.3 A review of the Council's Supporting Vulnerable Communities Place Based Strategy 2017 and the Gainsborough South West Ward Place Based Strategy 2017 has been undertaken. This has given officers the opportunity to reflect on progress and to identify areas where more work is needed. The review of the strategies, initially adopted as a tool to direct, oversee, coordinate and monitor the necessary work programmes required to drive forward improvements, has provided evidence to endorse the objectives of a solution.
- 3.4 This is supported by the draft findings of a concurrent audit of the Place Based Strategies which found that operationally some very good work is being delivered but needs to be strengthened by a more strategic approach to ensure risks are identified and mitigated.
- 3.5 Officers explored best practice in the Alchemy event which brought together social enterprise leaders (both locally and nationally), and social investors with WLDC officers and County Council commissioners in public health, adult social care and other stakeholders such as the NHS to analyse the issues and identify solutions to address the multiple indices of deprivation across the town.
- 3.6 A number of challenge areas formed the basis for discussion - health and wellbeing, mental health, education, employment and skills and housing – all areas which collectively impact on the life chances of residents in the area. Many issues associated with these themes are deeply engrained and the complex and multi layered examples of vulnerability experienced by individuals and families can only be tackled if safe, secure, decent housing which is affordable is available to those in need.

3.7 Complex issues for residents in relation to housing include;

- Poor living environment (both housing and surroundings)
- High tenancy turnover rates
- Manifestations of poverty pockets of anti-social behaviour
- Domestic abuse
- Drug and alcohol dependency/addiction
- Lack of community cohesion

3.8 Homeless approaches to the council demonstrate a high level of tenancy failure with loss of private rented accommodation one of the top causes of homelessness. Persons at risk of homelessness can be subject to a number of vulnerabilities which may put them at risk of falling into rent arrears and therefore unable to access appropriate housing.

3.9 Gainsborough is perceived as an area where there is a plentiful supply of affordable (cheap) private sector accommodation. As a result an already transient population, often due to tenancy failure, is being compounded by an influx of residents from other areas often with serious offending histories and ongoing criminal behaviour.

3.10 Whilst the Housing Register shows no overt housing need within Gainsborough the reliance on the private rented sector to house vulnerable people and those with failed tenancies by WLDC's Home Choices team and other authorities in Greater Lincolnshire and others as far afield as London boroughs, demonstrates a real need for low cost rented homes. However this is difficult to quantify. Housing activity within the private rented sector whether through enforcement, homelessness prevention, bringing empty properties back into use or assisting people into private rented housing all contribute to meeting need. Officers now have a greater understanding of this need and what is required to ensure that appropriate housing and housing related support is planned and made available for the most vulnerable to access.

4 Objectives

4.1 Concurrent to obtaining an understanding of need was a clear understanding of the objectives of a viable housing solution achieved through either an in house solution or in partnership with a registered provider or charitable organisation. Objectives which the solution would seek to achieve and respond to evidenced need are as follows;

- a) a clear pathway to appropriate housing solutions offering choice, independence and support where needed
- b) Prevent homelessness and overcome barriers to accessing private rented sector housing
- c) To maximise the supply of good quality private rented dwellings managed by a social landlord ie as exemplified by HATS

- d) The retention of Housing Benefit and Universal Credit payments into the local social economy recycled into holistic tenant support
- e) Achieve maximum benefit from the properties currently owned by the council
- f) Achieve best value from the use of empty homes grant

All of the above would contribute to meeting the objectives of Our People and Our Place themes within the West Lindsey Corporate Plan

5 Driving Social and Economic Impact

- 5.1 The benefits the authority would be seeking to achieve by intervening in the private rented market should be a catalyst for the social regeneration of the town and would include;
- a) Contribution to the wider regeneration of the town and the realisation of the councils growth ambitions
 - b) Environmental benefits as the work links to the Green Infrastructure Strategy for Gainsborough and the Gainsborough Transport Study
 - c) Social benefits as residents access support required and gain access to education skills and training resulting in more viable people
 - d) Economic benefit as the results of the above provide a well skilled and employable workforce.
 - e) Reduction in failed tenancies
 - f) Reduction in housing benefit payments and residents 'move on' from supported accommodation
 - g) Improved tenant behaviour
 - h) Reduction in anti-social behaviour
 - i) Assist in improving housing standards
 - j) Improve the quality of life, health and wellbeing of residents

6 Conclusion

- 6.1 In conclusion to the work undertaken by officers to date in relation to a viable housing solution to address need it was found that the aims of a Social Lettings Agency were too narrow and would not provide the level of benefit required to the residents, the town and the Council.
- 6.2 The predominance of low cost terraced housing coupled with a high Local Housing Allowance payment available, makes Gainsborough a "hot spot" for buy to let landlords with no expertise in housing management for vulnerable people. As such Gainsborough increasingly attracts a transient population, many of whom have failed tenancies across Lincolnshire and complex needs. This is a significant cause of ASB and the requirement for enforcement activity to the Council.
- 6.3 This predominance of buy to let and absentee landlords with little connection or commitment to the town is a problem. A consequence of this is that housing benefit and universal credit payments are lost to the private landlord and not ploughed back into the local economy

- 6.4 No intervention will see a continuous cycle of absentee landlords, poor quality housing, a persistence of the deeply engrained social issues and the protraction of the transient nature of the population.

Next Steps

- 6.5 Officers are appraising the opportunity to secure a social landlord to acquire a critical mass of properties in the South West Ward, (with or without the Council's direct financial support or ongoing involvement), that will be capable and obliged to support tenants to maintain their tenancy and enhance their wellbeing. The latter to be funded from surplus rent over cost. In addition this housing solution could hold/own the Council's 12 properties in this area and be recipient of Empty Homes Grant.

The acquisition of properties from the current 87 empty homes within the selective licensing area of the South West Ward will be prioritised for this solution aligned to the criteria within the West Lindsey housing Assistance Policy.

7 Recommendation

That members;

- 1) support the progress made in developing a viable housing solution (initially for Gainsborough SWW) that responds to the housing need of our vulnerable communities in line with Corporate Plan objectives
- 2) Endorse the objectives for the potential solution
- 3) Ask officers to bring a preferred option to committee no later than February 2020