

**DACHS Scrutiny Committee – 15<sup>th</sup> September 2014**

**Report of the Director of Adult Community and Housing Services**

**The Dudley Borough Housing Strategy**

**Purpose of Report**

1. This report provides information on how the Borough's Housing Strategy was developed and in particular, how the views of young people were accounted for, the housing issues facing them and the role of the private housing sector (market housing) plays in the Borough's overall housing provision.

**Background**

2. The 2011 Census data indicates that 68.7% of the Borough's housing is owner occupied, 19.8% is social rented and 9.2% is privately rented. The owner occupied sector is by far the largest supply of housing in the Borough with 34.9% being owned outright and 33.8% being owned with a mortgage/loan. It should be noted that the private rented sector has grown from around 6.8% in the Census 2001 to 9.2%<sup>1</sup> but still falls short of the national average of around 15%.
3. The Borough's Housing Strategy covers all housing tenures within the Borough. It was approved by Cabinet in March 2013. Following extensive consultation the strategy and an action plan was developed (see Appendix 1).
4. In preparation for the strategy being developed a Housing Needs Survey was undertaken by David Couttie Associates (DCA). This survey involved sending postal surveys to a sample of households throughout the Borough. The sample was identified to ensure that responses were statistically robust across all of the wards within the Borough and represented the variety of demographic groups. This amounted to 2,139 households across the 24 wards. In addition to this, 550 face to face interviews were carried out to ensure that there were sufficient replies from the wards and groups where generally, postal survey responses are lower (wards with higher levels of deprivation and areas with higher concentrations of Black and Minority Ethnic households). As a result of this, the data is statistically valid at a 90% confidence at ward level, 95% confidence at township level and 98% confidence at Borough level.
5. Apart from the face to face interviews, the majority of the surveys were completed by local residents who gave their own views and assessments in relation to the questions. The survey gathered considerable data from households about their current housing, their future housing intentions, tenure preferences, property type preferences, area preferences, household incomes and disabilities. (See Appendix 2).

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<sup>1</sup> It should be noted that the Private Rented category definitions changed from the 2001 Census

The survey also gathered information on concealed households. These are households who are living within other existing households as they are unable to access housing in their own right. These could be, for example, grown up children who cannot afford to move out of the parental home or people who have lost their own housing as a result of relationship breakdown.

The survey activity sought to include the views of young people in two ways. Parents were asked about the number of younger children in their household and this data can be cross tabulated to check, for instance, levels of overcrowding. The views of some young people will have been captured by the questions answered by concealed households.

A number of key findings emerged from the report that were used to inform the development of the Housing Strategy. These included:

- An ageing population
- The dominance of the 3 bedroom semi detached house in the Borough and the need to provide a range of new smaller housing units to balance the housing market.
- The majority of the Borough's housing stock was in a good condition but the challenge would be to maintain it, especially as there were a large number of older owner occupiers whose housing needs may change in later life
- Affordability issues giving rise to unmet housing demand.

It should be noted that this method of assessing housing need for the purposes of the strategy is far more wide ranging than relying on the number of households who have registered on our housing list for social housing. Those surveyed were asked about tenure preferences, housing type preferences, locations preferred and affordability. This contrasts with those registering on the housing list as they are limited to making housing choices in locations where social housing is already available rather than having a free choice of all areas of the Borough. At application stage there is also very limited analysis of how affordable the housing choice is or if other housing tenure alternatives have been explored.

A multi agency group undertook work to develop the strategy and action plan. This included:

- Housing Strategy
- Housing Management
- Private Sector Housing
- Older People's services
- Planning
- Local housing associations
- Communications Team (Corporate)
- Homes and Communities Agency

As the strategy developed a range of consultation activities were undertaken and a wide range of stakeholders were asked for their comments/input. This process included: Councillors, tenants and residents, agencies who work in the Borough, housing developers, planners, housing associations, voluntary groups and others (see Appendix 3).

This work resulted in the development of five strategic aims:

- To raise the standard of the existing housing stock across all tenures.
- To provide a mixed housing offer that will meet a range of housing needs.

- To use the provision of new housing to increase local economic growth.
- To provide a range of housing and support for vulnerable people to enable them to live independently in their local communities.
- To reduce the adverse environmental impacts and improve the health of residents by improving energy efficiency, reducing fuel poverty and building new homes that are healthy to live in.

Examples of the good progress that has been made against the actions set out in the action plan can be seen in Appendix 4.

### **Moving forward**

The Housing Market Intelligence Report 2011 has been updated to take into account new secondary data that has been made available (Census 2011, house sales data, new affordable housing completions, housing waiting list, etc). This data has been used in conjunction with the original survey responses to produce an updated picture of the housing market. Whilst the key messages (see Appendix 5) have remained consistent following the update it is noteworthy that the level of need for affordable housing has increased.

- The dominance of the 3 bedroom semi detached house in the Borough and the need to provide a range of new smaller housing units to balance the housing market to meet the needs of the growing number of smaller households that are being created by demographic factors such as older people living for longer but often alone as their partner has died or single person households created as a result of relationship breakdown.
- Meeting the housing needs of an ageing population as they are the fastest growing demographic group.
- Affordability issues giving rise to unmet housing demand.
  - 748 additional new affordable homes per year are required over the next 13 years to meet known existing demand for affordable housing. This compares to 607 per annum in the 2011 report. These figures assume no new demand arises and that the levels of new affordable housing delivery (225 units per annum) and re-lets of existing social housing remain constant.

### **Young People**

The Housing Needs Survey identified 4,115 concealed households (people living with other households because they cannot access housing in their own right). This group is likely to be dominated by young people who are ready to form a household in their own right but are currently living with others. Of these 1,108 indicated that they could afford to become owner occupiers and 975 could rent privately. 2,032 indicated that they would look to meet their housing needs by accessing affordable housing. Further analysis of the survey responses indicated that affordability of housing was a key issue for concealed households as:

- 68% of the concealed households earned below £20,000 per annum
- 84% of the concealed households indicated that they could not afford to pay more than £450 per month in mortgage or rental costs.
- The cheapest entry level properties for market housing in the Borough required a single income of £16,800 or £20,300 dual income.

## **How we are working to address these issues**

- A Youth Hub has been created to offer bespoke housing advice and support to 16-24 year olds at Dudley Council Plus in partnership with DACHS and Children's Services.
- We are working on a shared housing pilot project to identify ways in which young people can share tenancies/homes in an affordable way.
- We are working with Midland Heart to redevelop the Gibbs Road Hostel in Lye into a state of the art supported housing scheme which will offer 58 units of accommodation including 34 1 bedroom self contained flats. This facility is primarily but not exclusively used by people aged 18-44.
- We use a range of supported housing for young people. The accommodation is provided by Churches Housing Association of Dudley and District (CHADD) and Black Country Housing Group. The housing related support services in these schemes are funded by DACHS.
- DACHS also funds the support element of a supported lodgings scheme for young people aged 16-24. This is run by Black Country YMCA. This enables a young person to live with a host family for up to two years whilst they learn a range of independent living skills.
- We are actively seeking opportunities to increase the provision of social housing in the Borough by building more council homes.
- An 'Affordability Group' has been established by the Dudley Housing Partnership (multi-agency group representing a range of social housing landlords who have housing stock in the Borough).

There are no easy answers to addressing the housing issues of young people as currently there is great demand for smaller social housing property types across a range of age groups. Some of this pressure can be attributed to welfare reform impacts. Tackling the affordability issues arising from low incomes is a longer term issue that is being addressed through the Strategic Economic Plan.

## **Private Sector**

The provision of housing for owner occupation and to rent privately is market driven and we are working with owner occupiers and a range of landlords who offer homes to rent to encourage them to provide good quality accommodation. Examples of work include:

- 274 families assisted with adaptations in the private sector during 2013/14. Budget expenditure for adaptations including stage payments was £3.18 million.
- 129 new tenancies have been created through the Rent Deposit Scheme in 2013/14.
- We assisted the owners of 157 empty properties to bring them back into use in 2013/14.

## **Finance**

6. The production of the 2011 report, 2014 update and the Housing Strategy have been financed within existing budgets.

There is a need to factor in the costs of a future housing needs survey which should be completed by 2016/17 in order to keep abreast of housing market changes and respond accordingly.

We are constantly looking for opportunities to expand the range of affordable housing within the Borough. This includes bids from both Dudley Council as a direct provider and also bids from housing association partners. Recent successful bids from both the council and housing associations include monies from the HCA's Affordable Housing and Care and Support programmes to fund a number of new affordable schemes in the Borough and a successful bid from the local authority to the Local Growth Fund to increase the council's Housing Revenue Account borrowing capacity.

## **Law**

7. National Planning Policy Framework - Paragraph 50 sets out the range of homes and housing mix which should be supplied:

To deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should:

- plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);
- identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand; and
- where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.

## **Equality Impact**

8. The Housing Strategy was subject to an Equalities Impact Assessment (see Appendix 6).

## **Recommendation**

9. It is recommended that:-

- The contents of this report are noted.
- Members determine if there are issues they wish to scrutinise in more detail.



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### **List of Background Papers**

#### *Appendix 1 - Housing Strategy*



Housing\_strategy.pdf

#### *Appendix 2 – Housing Needs Survey form*



Housing Needs  
Questionnaire.pdf

#### *Appendix 3 – Housing Strategy consultation*



Agencies consulted  
during the developme

#### *Appendix 4 – Housing Strategy Action Plan extract*



Housing Strategy  
Action Plan extract.doc

#### *Appendix 5 – Housing Market Intelligence Report 2014 update – summary of key findings*



Key messages from  
the Dudley Housing M

#### *Appendix 6 – Housing Strategy Equalities Impact Assessment*



Housing Strategy  
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