



BARROW BOROUGH COUNCIL

HOUSING STATEMENT

August 2012



Barrow Borough Council:

The Housing Offer for the Borough

Introduction

The purpose of this paper is to provide the reader with an understanding of the Housing aspirations of the Borough. It is deliberately short and sets out clearly the aspirations for the area.

Where appropriate it draws on research, and on policy and strategy papers agreed by the Borough Council. These have built up our understanding of the current housing market in relation to the economic development of the Borough and the aspirations we seek to achieve.

The aspirations have been developed in consultation with a wide range of private sector organisations, other public bodies, and various individual stakeholders in the Borough. The Council's Vision is:

“To enhance the economic and social future of the Borough to meet the needs and aspirations of the community.”

The Council's key priorities are:

1. Provide good quality efficient and cost effective services while reducing overall expenditure.
2. Continue to support housing market renewal including an increase in the choice and quality of housing stock and the regeneration of our oldest and poorest housing.
3. Work to mitigate the effects of the recession and cuts in public expenditure and their impact on the local economy and secure a sustainable and long term economic recovery for our community
4. Continue to improve and enhance the built environment and public realm, working with key partners to secure regeneration of derelict and underused land and buildings in the Borough.

These key priorities will be delivered through a range of actions and will be reviewed annually.

Overview of the current market

- The housing stock of the Borough is dominated by older, terraced housing. 52% of the stock is terraced and 45% was built pre-1919.
- A high proportion of the older stock is in poor condition.
- Much of the stock is of low value. Average house prices have fallen slightly since 2008, and prices at the lower end of the market have fallen more sharply over the last 12 months, to as little as £30,000 or even less for the cheapest houses.
- Mean earnings in the Borough are lower than the county, regional or national averages, although lower quartile earnings are higher than the comparable values for the county, region or the country as a whole.
- Housing is more affordable than in other parts of the country, with approximate income to price ratios of 1:4.

- There is a lack of choice in the current Housing market to meet the needs of industry to attract the highly skilled workers it requires and meet the housing aspirations of many existing residents.
- The Borough has a high proportion of residents with a disability, and there is therefore a high need for suitable adapted housing or housing with support.
- The proportion of social rented housing in the Borough is low compared with the county, regional and national figures. Demand for social rented housing is high.

Delivering the Housing Option

The Council is required to have a number of key policies in place to inform the development of residential opportunities.

The Council will adopt a strategic approach, but will be flexible in the tools it utilises to achieve its objectives. The Council will seek to be innovative and to take advantage of any suitable opportunities that present themselves.

The Government has recently placed new requirements on Housing Authorities, for example the National Housing Strategy, the Localism Act and the National Planning Policy Framework.

The Council views these as a new opportunity to tackle the identified problems of the current Housing market and will be considering how they can address issues in the Borough. The Council's formal planning documents can be summarised as:

- The 'saved' Barrow in Furness Borough Council Local Plan Review 1996-2006; and Housing Chapter Alteration 2006
- The Barrow Post Area Action Plan

These are supported by a suite of other documents including:

- Annual Monitoring Report (AMR) – an annual report which monitors a range of indicators including past and projected rates of housing permissions, numbers of completed dwellings and demolitions.
- Strategic Housing Market Assessment (SHMA) - provides a range of information on the current Housing Market and acts as a background study on which to base future planning policies related to housing.
- Strategic Housing Land Availability Assessment (SHLAA) - due for publication in 2012, identifies land for new housing. The potential sites identified in the SHLAA are individually assessed, and used as evidence for future site allocations.

Significant changes to the national planning policy system, introduced by the Localism Act and the National Planning Policy Framework (NPPF), means that the Council will now produce a single borough wide Local Plan, which will incorporate both strategic and detailed policies and will contain site specific policies that address a range of issues including housing. This will replace, in due course, current 'saved' local policy and policy contained within the Barrow Port Area Action Plan. Production of the Local Plan will be a priority for 2012/2013.

More information on planning policy documents can be found at www.barrowbc.gov.uk/planningpolicy

Understanding the Council's approach

1) Renewal of private sector housing and fuel poverty

The Council carried out a condition survey of the private sector housing stock during 2011. This found that out of a private sector housing stock of 29,550, 14% contained Category 1 hazards as defined by the Housing Health and Safety Rating System (HHSRS), and 30% did not meet the Decent Homes Standard (DHS). Non decency is more prevalent in older stock and in the private rented sector. 42% of pre-1919 dwellings fail to meet the decency standard, as do 44% of privately rented properties.

The stock condition survey report can be accessed at:
<http://www.barrowbc.gov.uk/pdf/Private%20Sector%20HCS%20Final%20Report%20March12.pdf>. This also gives further information on HHSRS and DHS.

There is therefore a strong case for concentrating private sector renewal policies on areas with older stock and higher concentrations of privately rented property. The Council has for many years adopted a policy of area-based action. This has been mainly targeted at the wards of Central, Hindpool and Barrow Island.

The value of property in the Borough is very low. The mean value was c£114k in 2010, although prices have fallen since. Figures published previously show Barrow being within the bottom three areas in the North West affordability tables. Our most recent Housing Needs Survey identified the requirement for 11 new units of affordable housing per year. We have interpreted this as accommodation to rent and because of the low market value of Housing generally have not seen the need to adopt a specific affordable housing or local occupancy policy within our Planning Policies.

Current priorities are based around Housing Market Renewal activity and public realm improvements in the North Central and Hindpool Renewal Areas. See <http://www.barrowbc.gov.uk/Default.aspx?page=1881> for more information. The need for this activity is set out in the HMR prospectus, which can be found at <http://www.barrowbc.gov.uk/Default.aspx?page=2271> We consider that the problems identified in that document are still relevant.

The average energy efficiency of the housing stock in Barrow is similar to the national average. The levels of deprivation increase the prevalence of fuel poverty over the national average. Fuel poverty is said to exist where a household must spend over 10% of its income on an adequate heating regime. To replace existing energy efficiency schemes, the government will launch the Green Deal later in 2012. This is a major scheme that the government expects to deliver £14bn worth of home energy efficiency work, and to support 65,000 jobs.

At October 2011, there were 685 long-term empty properties in the Borough (vacant and unfurnished for over six months). This represents 2.1% of the total housing stock. This is high by Cumbrian standards but considerably lower than other of the more deprived districts in the North West. Most of these long term empty properties (76%) are in Council Tax Band A. Apart from the obvious benefits of making the fullest use of the Borough's housing stock, the advent of the New Homes Bonus provides a financial incentive for local authorities to reduce the number of long term empty properties.

2) Enforcement of standards in the private rented sector

We estimate that there are as many as 4,000 privately rented properties in the Borough. This represents about 12% of the total housing stock in the Borough. However, the available estimates show substantial variation and we do not have a full understanding of the effects on this sector of the credit crunch and recent falls in house prices. Anecdotal evidence exists on the one hand of landlords seeking to sell and leave the sector, and on the other of owners unable to sell for an acceptable price, and being forced to rent their property out. Whether these effects balance one another out is not known.

The growth in buy to let mortgages and low property prices in Barrow led to a substantial growth in the private rented sector in the late 1990s and throughout the 2000s. Much of this growth has been targeted in the central areas of the Borough, within the older, low value housing. The effect has been to de-stabilise these communities and to accentuate existing social problems. A significant proportion of Housing Benefit is paid to residents in the private sector suggesting the sector is dependent on the Benefits system to sustain it.

There are about 750 privately rented tenement flats situated in 10 blocks on Barrow Island. The ownership of these is typically in large portfolios. In the region of half the flats are vacant. The Council has previously provided some grant assistance. Whilst one landlord has embarked on renovating the blocks in their ownership, the Council has had to take action against others due to failure to maintain. The Council is keen to determine whether a programme of improvements can be implemented and whether these properties will continue to offer a commercially viable proposition.

3) Management of the Council's Housing Stock

The Council's Policy at the present time is one of retention and direct management of the stock.

We have prepared for and welcome the introduction of self-financing which provides the opportunity for the Council to plan with more certainty for the continued investment in the stock and the services provided to tenants and the wider community.

The Housing Service's vision is to:

“provide well maintained homes and estates where people choose to live”

To achieve our vision we will ensure:

- we will deliver maintenance services to the standards and local offers agreed with our customers;
- the housing stock and public spaces on estates is maintained in good, safe and lettable condition;
- we meet our statutory, regulatory and contractual repairs and maintenance obligations;
- we use short-term and long term assessment to plan and deliver our services;
- we engage and empower our customers to be involved in all decisions;
- we ensure equality and diversity is at the fore front of service delivery;
- we will make best use of the resources available; and
- we will ensure effective performance management through evaluation and best practice.

The Council has a relatively small housing stock of c2700 properties. Approximately half are houses, and half are flats, of which significant proportions are one bedroom. The housing stock is approximately half the size it was at its peak due to Right to Buy. This means much of property is now on mixed estates and in some areas privately owned property outnumbers the Council stock.

To take account of this, as well as working in collaboration with tenants, the Council values the contribution of other owners and they are included in our consultation forums.

In contrast with the problems of disrepair and under investment in much of the private sector, the Council's stock is in good condition and meets the Decent Homes Standard. The housing service also values the importance of the public realm in areas of Council or ex-Council housing and also invests in the quality of the environment.

As a relatively small landlord the Council works in partnership with other organisations to improve its services both for investment and provision of housing services. For example:

- **Investment in the Housing Stock**

Our approach to investment is based on a component replacement process. Properties are identified by an independent stock condition survey, validated against our in-house asset management records, which then dictate the investment required on a five yearly rolling basis.

To deliver this work we work in partnership through Cumbria Housing Partners and Procure Plus. This has resulted in a more efficient procurement and delivery process.

- **Investment in Services**

The Housing Management service is delivered through specialist teams to provide a comprehensive service. It is our practice to work in collaboration with other agencies where this will improve services to tenants. We have recently engaged with the majority of other social landlords in Cumbria to deliver a County-wide service. This includes a common Allocation Policy and jointly commissioned IT to deliver a Choice Based Lettings Service.

- **Moving Forward**

The Council's own stock plays a valuable role in meeting the Housing needs of the Borough. In moving forward we will be considering how we can maximize the benefits a self financing model provides and to ensure the direct provision of Housing continues to contribute to improving the housing offer for the area.

4) Meeting housing needs of the Borough

As referred to earlier in this document the Council's approach to the housing market is one of remodelling, not just of increasing overall numbers per se.

We have already demolished a number of houses in the most depressed area of the market in the Borough. This has provided sites suitable for new housing built for sale when the economy recovers.

To re-model the housing market it is important we create a range of accommodation to meet the aspirations of those people who want to buy and for those who want to rent. We also need to create the types of property required to meet the needs of very specific sections of our community.

The main provider of social housing in the Borough, apart from the Council, is Accent Foundation. The Council has worked with Accent for many years as the preferred social housing partner in the Borough, and remains committed to this partnership as the main means of delivering new social housing. We do not, however, rule out working with other Registered Providers where appropriate.

- **Property for sale**

The Council is committed to the development of the Waterfront as a significant opportunity to create new modern Housing for sale and improve the housing offer of the Borough.

The policies of the emerging Local Plan will help guide the future development of the housing market. There will be a need to balance the aspirations for large house types, take account of any new build in neighbouring areas, particularly Ulverston, and consider the possible effects of new development on the lower value areas of the Barrow housing market.

- **Housing Needs Survey**

We completed a Survey in 2006. It was our intention to complete such surveys on a five year cycle. However, the effect of the downturn in the economy has led to uncertainty in the local market and at present the Council's view is that it will not invest in such a survey until some stability returns in the economy.

The 2006 survey highlighted a number of key factors that support the Councils overall approach and can be viewed in summary form at <http://www.barrowbc.gov.uk/pdf/HousingNeedsStudyOct06.pdf>

- **Supported Housing Needs**

The identification of supported Housing needs is more difficult. We engage with the County Council through the Supporting People programme and "iteration process" and the development of a Local Strategic Needs Assessment for Cumbria. This process has identified a particular need for accommodation for people with complex and multiple needs.

Some needs can be met by providing support services in ordinary housing, however others that have been identified include accommodation for young people, people with complex needs (linked to substance abuse) and accommodation for frail elderly in recognition of the aging population. Cumbria County Council has recently agreed the need for a new frail elderly scheme on Walney, as part of its approach to modernising older persons' services. This is supported by the Borough.

Through our work providing assistance to residents whose homes are unsuitable due to a disability and information gathered through the Housing Needs Survey we are very conscious of the fact that there is a scarce supply of suitable accommodation for people with a disability. Within our own stock there are only 6x2b bungalows and 8x3b bungalows suitable for families with a disability. Through our enabling role we have constructed additional family sized accommodation with our Housing Association partner and have added 8 further units. In re-modelling the Housing Market the inclusion of more accommodation of this type is seen as important.

- **Support for the Homeless and potentially homeless**

In the last twelve months we have seen the number of people approaching the Council with insecure housing increasing. At the present time by improving our approach to prevention we have been able to help many of these people and prevent them from becoming homeless. The number of Homeless people for whom the Council accepts a full duty remains stable. The Government has retained the Homeless Prevention Funding to extend the range of services available.

- **Gypsies and Travellers**

There are currently 17 authorised pitches on a residential caravan site in the Borough. Although occupation is not restricted to Gypsies and Travellers, it is understood that the pitches are currently occupied by Gypsy and Traveller families and have been for a considerable time. A Gypsy and Traveller Accommodation Assessment was carried out during 2007. This found a small additional need for Traveller pitches of 6 pitches over 10 years. However, this was based on the assumption of no current provision. It is therefore considered that the provision of new pitches is a low priority.

Delivering the Housing Offer

There are four strands to the Council's approach to re-modelling the Housing market:

- Transformational improvement of the housing offer driven by the comprehensive development of residential and commercial property on the Waterfront site
- Tackling the most obsolete housing through targeted intervention in the Housing Market Renewal area
- Through our Planning arrangements and Council's enabling role to encourage the development of the required types of housing.
- Working with Registered Providers to expand the stock of Social Housing in the Borough

The Borough Council has seen a significant reduction in its funding. In addition the stagnation in the economy and the local Housing Market has an impact on encouraging investment from the private sector.

The Council's long term objectives for the housing market have not changed. However, the speed at which they can be delivered will have to be progressed as resources and investment become available.

The following summary shows the short term approach we are adopting to maximise delivery during these difficult times.

Summary of Housing Actions 2012/13

Key Priority	Action
2 & 4	On the Waterfront development the Council will continue to assemble sites and work with partners to progress this transformational project as resources are available.
2	To continue to progress the long term plans contained in the HMR prospectus through external refurbishment of housing stock in the identified priority areas to improve confidence in the weakest areas of the housing market. The Council will continue to pursue an area-based strategy for private sector renewal. The policies approved as part of the declaration of the North Central Renewal Area will remain in place. However, the ability to fund the various grant regimes mandated by the Council will be greatly diminished. Although the Council will in principle consider the declaration of further Renewal Areas, following appropriate Neighbourhood Renewal Assessments, it is unlikely that this will be done unless the level of capital funding available increases substantially.
4	Complete and publish SHLAA and progress Local Plan.
4	Using HCA funding secured with Accent HA to deliver 27 family houses for rent between now and 2015. The Council will work actively to bring sites into use for social housing. We will in appropriate cases use our statutory powers to acquire land for housing. We will continue to consider on a case by case basis the disposal of land at below market value for the provision of new social housing to maximise the use of capital grant funding from the HCA. Furthermore, we will work with other statutory bodies, such as Cumbria County Council, to bring their land holdings into use for the development of social housing at below market value wherever possible.
1	Ensure the Homeless prevention funding continues to assist people avoid homelessness and in particular, commission a Court Desk Facility, agree a process to use the prevention of repossession monies to minimise the numbers of households facing eviction and agree use of the funding for single homeless services.
2 & 4	We will aim to take a structured approach to empty homes. We will map the locations of empty properties and prioritise our attention on hot spots, particularly within the priority wards for Housing Market Renewal, and on properties that are causing the greatest nuisance. Informal encouragement and advice will initially be offered, but if this is ineffective, appropriate enforcement action will be considered. We will also seek to take advantage of any suitable funding opportunities that may arise.
4	Enforcement of standards in the private sector will be determined by available resources and capacity. Our policy to date has been twofold; responding to complaints and carrying out programmed inspections. The latter will be discontinued for the foreseeable future, and we will concentrate on responding to complaints from tenants. The Council recognises its core statutory obligations under Housing Act 2004, with regard to the need to improve housing conditions, and also with regard to mandatory licensing of HMOs. These will necessarily form the main focus of the Council's work with this sector.
3 & 4	In relation to the Green Deal, the Council will work with local advice agencies to ensure that they are in a position to provide appropriate advice on the scheme, work with local businesses to ensure that they are in a position to compete effectively for Green Deal contracts and assist in the identification of households who may benefit from the energy company obligations to assist the most fuel poor.
1	A joint funding bid from all the districts in the County has resulted in £1.3m being allocated to develop 40 new G&T pitches in Cumbria. If a local need arises, we will seek to use a portion of this funding for new provision in the Borough.

Should you wish to discuss the content of this paper or require more information about the Council's plans to improve the housing offer of the area please contact:

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