



**Special Economy and Enterprise
Overview and Scrutiny Committee**

Date Tuesday 24 October 2017
Time 9.30 am
Venue Committee Room 2, County Hall, Durham

Business

Part A

Items during which the Press and Public are welcome to attend. Members of the Public can ask questions with the Chairman's agreement.

1. Apologies for Absence
2. Substitute Members
3. Declarations of Interest, if any
4. Items from Co-opted Members or Interested Parties, if any
5. County Durham Housing Group: (Pages 3 - 6)
 - (i) Report of the Director of Transformation and Partnerships.
 - (ii) Presentation by Bill Fullen, Chief Executive, County Durham Housing Group.
6. Durham County Council's Housing Function - Overview: (Pages 7 - 12)
 - (i) Joint Report of the Director of Transformation and Partnerships and the Corporate Director of Regeneration and Local Services.
 - (ii) Presentation by Lynn Hall, Strategic Manager for Housing, Regeneration and Local Services.
7. Housing White Paper - Progress: (Pages 13 - 16)

Report of the Corporate Director of Regeneration and Local Services – presented by Michelle Robinson, Spatial Planning Team Leader, Regeneration and Local Services.
8. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

Helen Lynch
Head of Legal and Democratic Services

County Hall
Durham
16 October 2017

To: **The Members of the Economy and Enterprise Overview and Scrutiny Committee:**

Councillor A Batey (Chairman)
Councillor M Clarke (Vice-Chairman)

Councillors E Adam, J Atkinson, J Clare, R Crute, M Davinson, D Hall, T Henderson, P Howell, P Jopling, L Maddison, J Maitland, R Manchester, R Ormerod, A Patterson, A Reed, E Scott, P Sexton, L Taylor and M Wilson

Co-opted Members:

Mr T Batson

**Special Economy and Enterprise
Overview and Scrutiny Committee**

24 October 2017



County Durham Housing Group

**Report of Lorraine O'Donnell, Director of Transformation and
Partnerships**

Purpose of the Report

- 1 To provide members with detail of the development and performance of the County Durham Housing Group (CDHG).

Background

- 2 Economy and Enterprise Overview and Scrutiny Committee are responsible for the scrutiny of the Council Plan 'Altogether Wealthier' priority theme and associated actions. The committee's terms of reference include examining key policies and services within the sustainable neighbourhoods and rural communities' priority.
- 3 The transfer of the County Council's homes to CDHG was completed on 13 April 2015 at which point the Council relinquished its housing landlord function. A follow up report to the Economy and Enterprise Overview and Scrutiny Committee on the 29 October 2015 highlighted to members the housing functions retained by DCC which would need to be featured within the committee's future work programme which included the performance of the CDHG.

County Durham Housing Group

- 4 The transfer of homes required CDHG and the Council to enter into an agreement to ensure the "offers" the Council made to tenants would be delivered. Within the Transfer Agreement were a series of key duties, obligations and responsibilities placed upon both parties. The agreement also included 19 service level agreements through which the Council will provide services to CDHG.
- 5 Performance management arrangements to monitor the delivery of the offers and the implementation of the Transfer Agreement were developed which are monitored and reviewed through the Council's Overview and Scrutiny procedures with the Economy and Enterprise Overview and Scrutiny Committee undertaking a key role in monitoring the performance of CDHG in relation to its performance against the offers.
- 6 In view of the timescales within which CDHG has been established, it was important that CDHG's operational arrangements were allowed time to bed in including how the group are to develop performance arrangements in respect of delivery against the Transfer Agreement.

Current position

- 7 In the past Economy and Enterprise Overview and Scrutiny Committee would review the performance of the Council's housing providers (Durham City Homes, Dale and Valley Homes and East Durham Homes) in October every year. At the meeting members were provided with a short presentation from each provider detailing key performance information in relation to their respective organisations.
- 8 The Economy and Enterprise Overview and Scrutiny Committee agreed at the meeting on the 29 October 2015 that a similar mechanism would be used in relation to the CDHG. The committee in July 2016 received an initial update on the performance of CDHG and details of the group's plans for the future. Arrangements have been made for a special meeting of the committee to be held on 24 October 2017 where members will be updated on CDHG's progress by Bill Fullen, Chief Executive of CDHG. The presentation will cover the following points:
- Background to the offer document
 - Overview of progress made since transfer
 - Key achievements delivered to date
 - Future plans over the coming year

A copy of CDHG's 2017 Annual Report can be accessed via the link below.

<https://cdhgroupnews.co.uk/newsletter/county-durham-housing-group-annual-report-201617/>

Recommendations

- 9 That the Economy and Enterprise Overview and Scrutiny Committee comment on the information provided in the CDHG's Annual Report and the presentation provided to the committee at the meeting on the 24 October 2017.
- 10 That the Economy and Enterprise Overview and Scrutiny Committee schedule into the committee's work programme for 2018-19 consideration of the CDHG's annual report together with further detail on the performance of the group in 2017-2018.

Background papers:

Economy and Enterprise OSC - County Durham Housing Group report - 28 July 2016

Contact:	Stephen Gwilym, Principal Overview and Scrutiny Officer
Tel:	03000 268 140
Author:	Diane Close, Overview and Scrutiny Officer
Tel:	03000 268 141

Appendix 1: Implications

Finance – Not Applicable

Staffing – Not Applicable

Risk – Not Applicable

Equality and Diversity – Not Applicable

Accommodation – Not Applicable

Crime and Disorder – Not Applicable

Human Rights – Not Applicable

Consultation – Not Applicable

Procurement – Not Applicable

Disability Issues – Not Applicable

Legal Implications – Not Applicable

This page is intentionally left blank

Economy and Enterprise Overview and Scrutiny Committee

24 October 2017



Durham County Council's Housing Function

Joint Report of Lorraine O'Donnell, Director of Transformation and Partnerships and Ian Thompson, Corporate Director of Regeneration and Local Services

Purpose of the Report

- 1 This report provides members with background to Durham County Council's housing function prior to an overview presentation by Lynn Hall, Strategic Manager for Housing, Regeneration and Local Services. The presentation will cover an overview of the housing function and statutory duties, a summary of the work of housing solutions including key headline statistics and the up and coming challenges.

Background

- 2 The Economy and Enterprise OSC is responsible for the scrutiny of the Council Plan 'Altogether Wealthier' priority theme and associated actions. The Committee's terms of reference include examining key policies and services within the 'sustainable neighbourhoods and rural communities' priority.
- 3 The Economy and Enterprise OSC has previously considered a number of housing related issues such as:-
 - Durham County Council's Housing Strategy
 - The Housing White Paper
 - Housing Solutions – including homelessness and Durham Key Options
 - Affordable Housing
 - Housing Regeneration including renewal schemes
 - Private sector housing including empty homes, Private Landlord Accreditation Scheme and Selective Licensing
 - The LSVT process which established the County Durham Housing Group and the performance of the group on an annual basis
 - Chapter Homes

- 4 The committee's work programme for 2017-18 identifies a number of housing related issues to be considered by the committee including detail of:
- The performance of the County Durham Housing Group
 - The progress of the Housing White Paper
 - The progress of Durham Key Options lettings policy and the new marketing scheme
 - The further development of the Chapter Homes scheme
 - The progress of the Housing Strategy
 - The further development of the Homelessness Strategy including detail of preventative initiatives/schemes
 - Projects/schemes undertaken with the private rented sector

Durham County Council Housing Functions

- 5 Durham County Council has a number of housing functions which fall within the responsibility of Councillor Kevin Shaw, the Executive Member for Strategic Housing and Assets. These functions are:-
- Understanding housing need and the production of the Housing Strategy
 - Enabling the delivery of the Housing Strategy
 - Working closely with the Homes and Communities Agency
 - Ensuring Affordable Housing is available and overseeing the Affordable Homes Programme for Durham
 - Maximising the benefits of housing development
 - Strategic Fuel Poverty / Energy Efficiency
 - Specialist housing schemes and older persons accommodation
 - Rural enabling
 - Monitoring performance of Large Scale Voluntary Transfer Housing Providers
 - Coordination of the Choice Based Lettings Scheme - Durham Key Options
 - Delivery of the poverty agenda via the Council's Poverty Action Plan
 - Housing Regeneration activity
 - Statutory Homelessness, a duty to find accommodation for those clients who meet the legal requirements
 - Prevention of Homelessness
 - Gypsy Roma Traveller Site Management
 - Housing management of rented properties owned by Chapter Homes
 - Private Sector Housing
 - Home Improvement Agency including home loans and the delivery of Disabled Facilities Grants which is a statutory function.

- 6 A number of these functions are delivered by Housing Solutions and some are jointly delivered with other parts of Regeneration and Local Services including Spatial Policy and Regeneration and Development.

Housing Solutions - Aims

- 7 Housing Solutions delivers a customer based service as well as a strategic role. Its aims are to improve property condition and housing management standards, assist clients to move to more suitable accommodation and assist clients to stay at home and live independently.
- 8 These aims are delivered by a range of functions including, Homelessness Prevention, Private Sector Housing, Housing Regeneration, Durham Key Options and Home Improvement Agency.

Customer profile

- 9 Clients can contact Housing Solutions via the Housing Advice Line, a referral from a partner agency or by the use of an online portal. From April 2016 to April 2017 16, 184 clients made contact. One off advice may then be provided or further work required with one of the specialist officers.
- 10 The main reason for clients requiring specialist help and advice was due to financial difficulties, this trend has been consistent for the past two years. The most popular age range of clients contacting is aged 25 to 44 and the main household type is single males.
- 11 The main reason for clients contacting housing solutions who are threatened with homelessness is from clients living in the private rented sector where a section 21 notice requesting them to leave the property has been served.

Performance and delivery

- 12 The work of housing solutions contributes to the improvement of property condition and housing management standards. For example, financial assistance is offered to owners to improve properties via low interest loans, disabled facilities grants are completed, a number of energy efficiency measures have been delivered and 106 private landlords are registered as part of an accreditation scheme.
- 13 In 2016/2017, 1341 clients in housing need were assisted through a variety of tools to either move or stay at home. Some of the assistance includes, provision of adaptations, resolving housing benefit problems, referrals to partner agencies for supported accommodation, victims of domestic abuse remaining at home via the remain safe scheme and referrals for financial assistance for clients via the Discretionary Housing Payment Policy.
- 14 Housing Solutions aims to prevent homelessness and this approach has been used for a number of years, during 2016/2017 528 homeless applications were completed and 171 were accepted as requiring the statutory duty to secure accommodation. This trend has remained consistent over the last few years.

- 15 A number of families have been supported via the Humanitarian Support Programme and through the work of the Family Intervention Project, once again contributing to the prevention of homelessness.

Up and coming challenges

- 16 The **Welfare Reform Act 2012** provided for the introduction of a new government benefit for people of working age Universal Credit (UC). It is administered by the Department for Work and Pensions (DWP), who are responsible for leading the roll out of this project and ensuring that appropriate support frameworks are in place for claimants.
- 17 UC is available for **working age** people whether they work part-time, full-time or are unemployed. It will replace a number of welfare benefits and credits with a single monthly payment. The benefits to be replaced include, Housing Benefit (HB) (currently administered by local authorities), Income Support , Income based Job Seekers Allowance , Employment Support Allowance Child Tax Credit, and Working Tax Credit.
- 18 The 10 Jobcentres in County Durham are scheduled to go live with the UC Full Service over a 6 month period between October 2017 and March 2018. However, some of our residents may go live on an earlier or later date if DWP have linked them to Jobcentres outside County Durham boundaries. Details of the phasing are shown in the table below:

Job Centre	Roll Out Date
Peterlee	October 2017
Seaham	October 2017
Bishop Auckland	December 2017
Consett	December 2017
Crook	December 2017
Stanley	December 2017
Chester le Street	March 2018
Durham	March 2018
Newton Aycliffe	March 2018
Spennymoor	March 2018

- 19 Based on the lessons learnt from the roll out in other areas it is anticipated that the number of clients contacting housing solutions who are in financial difficulty will increase. This is because there is a waiting time for a UC payment and client's struggling to cope with personal budgeting skills.
- 20 **The Homeless Reduction Act 2017** sets out new duties on English local authorities with the aim of preventing homelessness. The Act requires councils to help **all** those who are threatened with homelessness (prevention duty) to stay in their accommodation or find alternative accommodation (relief duty). The implementation date is April 2017 and this will mean additional work for the officers in order to comply with the legislation.

Recommendations

21. Members are asked to note and comment on the information in the above report and the presentation provided to members at the meeting.

Background papers:

Welfare Reform Act 2012

Homeless Reduction Act 2017

Economy and Enterprise OSC – Scrutiny of Housing Issues – 29 October 2015

Author:	Diane Close, Overview and Scrutiny Officer
Tel:	03000 268 141
Author/Contact:	Lynn Hall, Strategic Manager for Housing
Tel:	03000 265 728

Appendix 1: Implications

Finance – Not Applicable

Staffing – Not Applicable

Risk – Not Applicable

Equality and Diversity / Public Sector Equality Duty – Not Applicable

Accommodation – Not Applicable

Crime and Disorder – Not Applicable

Human Rights – Not Applicable

Consultation – Not Applicable

Procurement – Not Applicable

Disability Issues – Not Applicable

Legal Implications – Not Applicable

Economy and Enterprise Overview and Scrutiny Committee

24 October 2017



Planning for the Right Homes in the Right Places Consultation

Report of Ian Thompson, Corporate Director of Regeneration and Local Services

Purpose of the Report

- 1 To provide members of the Economy and Enterprise Overview and Scrutiny Committee with detail on the current consultation 'Planning for the Right Homes in the Right Places' which was published on the 14 September 2017. This is further to the update provided on the Housing White Paper provided on the 23 February 2017.

Background

- 2 Overview and Scrutiny will recall a report to Cabinet in December 2016 that resulted in pausing the preparation of the County Durham Plan which had reached the Issues and Options stage in June/July 2016. The publication of a Housing White Paper was expected to have several implications for the preparation of the Plan, including a new national methodology for the calculation of housing requirements. The housing requirement figure, otherwise known as the Objectively Assessed Need (OAN) for housing, is critical to the preparation of a local plan and impacts on a number of policy areas in addition to housing, such as employment, infrastructure and waste.
- 3 The Housing White Paper was subsequently published on the 7th February 2017. It did not however, include the proposed methodology but instead referred to a separate consultation. Overview and Scrutiny will recall that the council submitted a response to the consultation on the Housing White Paper as reported to Cabinet in July and is available on our website.

<http://www.durham.gov.uk/media/21946/Housing-White-Paper-Response/pdf/HousingWhitePaperResponse.pdf>
- 4 Planning for the Right Homes in the Right Places, which included the housing need methodology, was published on 14 September 2017 for an eight week consultation closing on the 9 November 2017.

Planning for the Right Homes in the Right Places

- 5 The consultation document builds on some of the proposals in the Housing White Paper and seeks views on changes to national planning policy to help local planning authorities and communities plan for and deliver the homes they need, including:
- A proposed standard methodology for calculating local housing need;
 - Improving how authorities work together in planning to meet housing need and proposing the preparation of Statements of Common Ground between authorities;
 - How neighbourhood planning groups can have greater certainty on the level of housing need to plan for;
 - Considering how authorities can plan for the needs of particular groups, including affordable housing and housing for older and disabled people;
 - Proposals for improving the use of section 106 agreements, by making the use of viability assessments simpler, quicker and more transparent; and
 - Increased planning application fees in those areas where local planning authorities are delivering the homes their communities need.
- 6 The standardised housing methodology uses the latest household projections as the demographic baseline to arrive at an annual average household growth over a 10 year period. It is proposed that an adjustment is made to take account of market signals, where appropriate, based on affordability (the latest information on workplace-based median house price to median earnings ratios). Using this methodology the government has also published a list of each local authority's housing need.
- 7 Durham County Council's published figure as set out in the methodology is 1368 houses per annum. This can be compared to the figures consulted on in the County Durham Plan Issues and Options (June 2016) which were 1717, 1629 and 1533 per annum. These figures were based on the ONS 2012 projections whereas the government figure is based on the 2014 projections which are generally lower. To give some context, in terms of past performance housing completion rates for the last 3 years per annum have been 1146, 1537 and 1386.
- 8 The consultation document does suggest that it is possible to go beyond the published figure as a result of 'a strategic infrastructure project, increased employment ambition through a LEP investment strategy, a bespoke housing deal or through delivering the modern Industrial Strategy.' Although the document does not provide any detail on how this could be done.

- 9 The government has indicated that following consultation the resultant changes will be made to the National Planning Policy Framework (NPPF) which will also be published for consultation early 2018 with the final version being published in Spring 2018.
- 10 The Council's response to the consultation will be considered by Cabinet on 15 November.

Recommendations

- 11 The Economy and Enterprise Overview and Scrutiny Committee are asked to note the contents of the report.

Background Papers:

[DCC's Response to the Housing White Paper](#)

Government consultation - [Planning for the Right Homes in the Right Places: consultation proposals](#)

Government consultation - [Housing White Paper: Fixing our Broken Housing Market](#)

Contact:	Mike Allum	Tel:	03000 261906
	Michelle Robinson	Tel:	03000 261917

Appendix 1: Implications

Finance –

Staffing – Resource required to progress the local plan.

Risk – Not having an adopted local plan makes it more difficult to resist inappropriate development and also to provide the necessary certainty to facilitate appropriate development to support the local economy. Failure to make progress risks Government intervention.

Equality and Diversity – The Statement of Community Involvement 2016 which describes how stakeholders will be involved in local plan preparation and the determination of planning applications was subject to an Equality Impact Assessment and was prepared with the partnership and community engagement team. The local plan will continue to be subject to Equality Impact Assessment as it progresses.

Accommodation –

None

Crime and Disorder –

None

Human Rights –

None

Consultation –

None

Procurement –

None

Disability Discrimination Act –

None

Legal Implications –

Legal opinion and advice has been provided by the council's in-house legal team on a continuous basis throughout the preparation of the Plan in line with the legislative framework for the development of local plans and in relation to the implications of the Housing White Paper and the methodology on housing requirements.