

SCRUTINY REVIEW OF AFFORDABLE HOUSING

Summary

The third evidence-gathering session for the Committee's review of Affordable Housing will focus on information from key stakeholders involved in the local housing market. Feedback will also be received from members visits to the Nominations and Lettings team.

Detail

1. During the scoping process for this review the Committee identified the several key contributors in relation to this scrutiny topic including a private developer to understand their considerations when committing to supplying affordable housing in the borough and a private letting agent to gain an insight into the private rental market.
2. Ian Worgan, Regional Managing Director of Keepmoat Homes, has been invited to the meeting to explain the influences on their ability to supply affordable housing. Keepmoat was the partner in the pioneering Sycamore joint venture in the borough and he has been asked to answer the following questions, his response is attached:
 - The committee are interesting in understanding more about Keepmoat could you provide a quick overview of your business?
 - This review is seeking to explore how the Council can increase the delivery of affordable housing. What type of partnerships with housing associations and local authorities are you involved in which deliver affordable housing?
 - Do you think there are ways the Council can work with private developers to increase the supply of affordable housing? If so, can you give us examples of what would encourage you to work with Councils like SBC?
 - The committee understands that some private lead development sites may become stalled. From your experience of the industry what are the reasons that developments get stalled or do not go ahead once planning permission has been granted?
 - What are the challenges for delivering the number/types of affordable housing set out in SBC Local Plan?
3. The above questions were also circulated to other private developers to give them an opportunity to input into the review and gain their valuable experience. Storey Homes and Taylor Wimpey North Yorkshire have responded, and their answers are attached.
4. Richard Poole, Managing Director of Michael Poole Estate Agents has also been invited to the meeting, as a well-established letting agent in the Borough. He has been asked to give information on the number and type of properties on the market, whether this meets the demand and requirements of their customers, and average rent price. In addition, Richard has been asked to answer the below questions:
 - From your understanding of the private rental market are properties held back from the market/or not let if the landlord cannot secure the level of rent the landlord wants?
 - What are your views on current/future rents i.e. will they continue to rise due to demand?

Richard Poole has provided the link below ahead of the meeting showing available properties as of 29 August according to Rightmove statistic, along with data on market share by rent and price band, attached.

<https://www.rightmove.co.uk/best-price-guide-report/f42640b3-96d3-4232-9e74-b48987147d26>

5. The Local Housing Allowance Rates (LHA) were circulated to the committee via email for background information. LHA are used to calculate Housing Benefit for tenants renting from private landlords and decided by the Department for Work and Pensions (DWP) using information provided by the Valuation Office Agency. When the Housing Benefit received by an individual does not cover their rent they will need to find the rest of their rent from other income, Universal Credit payment etc. The rates are as follows:

Shared Accommodation Rate	£66.50 per week
One Bedroom Rate	£94.36 per week
Two bedroom Rate	£109.32 per week
Three Bedroom Rate	£126.58 per week
Four Bedroom Rate	£172.60 per week

6. In addition to key stakeholders attending the meeting, a copy of the feedback from the site visits to the shadow the Nominations and Letting team is attached for consideration. Five members attended the shadowing exercise that took place in July to gain a customer insight.
7. As members will be aware, the Government has made significant announcements recently regarding its ambitious housing delivery programme and the role / their commitment to deliver “the biggest increase in affordable housebuilding in a generation”. A press release and letter to Local Authorities outlining their announcement is attached for your information.
8. A copy of the agreed scope and plan for this review is also included for information.

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