

## **FULL COUNCIL 15th DECEMBER 2016**

### **REPORT BY EXECUTIVE MEMBER FOR HOUSING AND SAFER NEIGHBOURHOODS**

#### **HOUSING**

##### **The York Housing Market**

York is a successful and growing city with a present total population of just over 200,000, an increase from some 178,000 in 2000. Around 65% of the city's total housing stock is owner-occupied, with the private rented sector accounting for some 20%, and social housing (both council and housing association) making up the remaining 15%.

Demand for housing is high across all tenures, and meeting that demand remains a challenge. House prices in York continue to be buoyant and are generally some of the highest in the region with the headline median house price to median income ratio standing at around 8:5. Access to the private rented sector by low income households is limited by local housing allowance rates being capped at the 30<sup>th</sup> percentile of all rents.

##### **Housing Affordability**

In common with many areas of the country, the so-called affordability ratio of median house prices to median incomes in York is standing at an historic high; in York's case of around 8:5. This is a headline statistic which requires further explanation. There is clearly a shortage of homes in York, as in many other locations, and the release of more land for housing development provided for in the emerging Local Plan will address that shortage. Whilst that increased supply will tend to have a stabilising effect on prices, it is unlikely to substantially reduce the price of housing for a number of reasons. The cost of land acquired by house-builders will reflect current and anticipated selling prices for houses, and this level will be underpinned both by house-builders' production targets and by landowners' expectations of sale prices for housing development land. The housing market is also a heterogeneous one where prices do not always closely reflect the availability of housing; there are numerous product features and psychological factors which come into play in setting prices, for example, size, design, appearance, location, and 'desirability'.

The primary determinant in maintaining high house prices relative to incomes is the availability and cost of credit. Today's high house prices are the result of exceptionally low real rates of interest, boosted by declining wholesale funding costs and intensifying competition between lenders as well as a willingness by house purchasers to take on longer mortgage terms than has traditionally been the case. So even though prices appear high relative to incomes, mortgage payments remain affordable. According to the Council for Mortgage Lenders (July 2016), mortgage payments now account for 18% of the average first-time buyer's income, down from 25% back in pre-financial crisis 2007.

A significant fall in house prices is only likely to occur if a significant and sustained rise in interest rates take place and/or the economy goes into a deep recession. Clearly, neither scenario is one that would be welcome.

It is a matter of concern that nationally the level of owner-occupation relative to all housing has declined in recent years, down from 70% in 2003 to 64% in 2015. This decrease is particularly sharp in younger people in the 25 – 40 age group who aspire to home ownership, the 'first-time buyer' demographic. The recently published Redfern Review into the Decline of Home Ownership (led by Peter Redfern, CEO of Taylor Wimpey) and commissioned by John Healey MP (Shadow Secretary of State for Housing) concluded that the relative wage rates, mortgage lending standards, and the availability of subsidy for this section of the population were key considerations in addressing this shortfall.

Whilst not underestimating the effect of relatively low growth in real incomes especially for the 25 - 40 age group compared to sustained high prices, the principal impediment to first-time buyers accessing home ownership is the requirement to raise a relatively large deposit, commonly around 15% of the purchase price; a lingering consequence of tighter mortgage lending regulation by the Financial Conduct Authority following the financial crisis of 2007/08.

### **Affordable Housing: Government Initiatives**

The Government has made clear its intention to promote owner-occupation, especially for first-time buyers, and to halt the decline in home ownership. Various initiatives are being implemented including rent-to-buy, help-to-buy equity loans, shared equity schemes including discounted sale and shared ownership, and the starter homes initiative

where a proportion (indicated at 20%) of new private sector housing developments could be offered for sale at 80% of open market value.

The Council has recently bid into the new round of funding from the Homes and Communities Agency Shared Ownerships and Affordable Homes Programme 2016-21 for grant funding of £2.4M towards the cost of delivering 65 homes for shared ownership.

The recent Autumn Statement announced measures to support the delivery of affordable housing including:

- A £2.3bn housing infrastructure fund for local authorities to help deliver up to 100,000 more homes on more difficult site.
- An additional £1.4bn for local authorities and housing associations to provide affordable housing to rent or buy.
- The roll-out of right-to-buy to 3,000 more housing association tenants

### **The Council's Affordable Housing Policy**

The emerging draft City of York Local Plan will set out details of affordable housing policy based on the Strategic Housing Market Assessment 2016 and the Affordable Housing Viability Study 2016. The following interim targets are currently in use for development management purposes:

<b>Threshold</b>	<b>Target</b>
Brownfield sites > 15 units	20%
Greenfield sites > 15 units	30%
Urban sites < 15 units	0%
Rural sites of 11 - 14 units	Committed sum ca. £23k
Rural sites of 5 - 10 units	Committed sum ca. £17k
Rural sites of 2 - 4 units	Committed sum ca. £12k

**NB:** The above table is in heavily abbreviated form and is intended only as an illustrative guide to the policy. The committed sums above are rounded to the nearest £1000 and are levied per unit developed.

Following changes to national planning guidance, the Council can no longer seek financial contributions towards affordable housing on rural schemes of 1 - 10 units where the gross floor area is less than 1000m<sup>2</sup>. For all site thresholds, the developer still has the right to submit an independent 'open book appraisal' to justify a case where the affordable housing target is not considered to be viable.

## **The Council as Housing Provider**

The Council's housing stock comprises around 7,750 homes which produce a rental income of some £32M pa with arrears running at around £500k pa or 1.6%. This figure remains unchanged from last year and is testimony to the team's hard work at a time when welfare reform presents an increasingly challenging environment. The cost of management and repairs averages around £14M pa. Lettings turnover averages some 8% or 600 per annum, with an average re-let time of 3 weeks which latterly has improved to 2.5 weeks.

Making best use of the existing housing stock, a valuable public asset, is a principal policy aim and, where possible, tenants are facilitated to downsize to free up much-needed family homes for growing families. In the last year, a number of operational changes have been made in order to manage the estate better. The Council's tenancy agreement has been updated restricting the rights of succession, strengthening the enforcement of tenancy conditions, restricting the permission on keeping pets, changing the rent payment cycle from 48 to 52 weeks (ending rent-free periods), and introducing the use of flexible tenancy start dates.

The Council's housing staff were instrumental in addressing the catastrophic accommodation difficulties caused by the flooding at the turn of this year. Sourcing alternative accommodation, and repairing and making resilient affected accommodation were major operational priorities during the first half of 2016. A total of 64 households were supported through this period and all were able to return to their homes in April 2016.

There are approximately 1600 households registered on the social housing waiting list and the allocation of homes is currently made via the North Yorkshire Home Choice (NYHC) sub-regional choice-based lettings scheme. The system is expensive to administer and there continues to be a large number of applicants on the register who are placed in 'bronze' band with no housing need. Realistically many applicants on the register will never be offered the opportunity of a home due to the shortage of available properties. The Council is therefore

consulting with partner authorities with a view to amending the scheme and the results of that consultation will be reported back to the Executive Member for any prospective action.

## **Building Maintenance**

Over the next 5 years, it is intended to spend approximately £75M on responsive repairs and maintenance, and improvements to the housing stock. The current year's programme includes the following priorities:

- Modernise the kitchens, bathrooms, and electrical systems in 280 homes.
- Renew the roofs to 100 homes.
- Replace obsolescent inefficient boilers and heating systems to 650 homes.
- Install air-source heat pumps to 29 non-gas homes.
- Damp remediation to 80 homes.
- Install or upgrade entry security systems in 190 locations.

## **Council Development**

The Council house building programme continues. Schemes at Hewley Avenue and Lindsey Avenue have been completed in 2016 to provide 22 new homes, following on from Beckfield Lane/Le Tour Way in 2015. Schemes at Fenwick Street and Pottery Lane are due to complete this year to provide 14 units and the extension to Glen Lodge to provide 27 units is underway with completion scheduled for 2017.

Proposed schemes at Newbury Avenue, Chaloners Road, Viking Road, and Ordnance Lane (as part of the scheme to replace the Council's homeless hostel) are undergoing design appraisal with a view to commencing on site in 2017. Several other projects are being investigated but nevertheless the main constraint on the council house building programme remains the availability of suitable sites.

## **National Legislation and Budget Effects on the Housing Revenue Account**

The July 2015 budget placed a number of financial pressures on the Council. It set out a requirement to reduce council house rents by 1% for the following years creating a funding gap in the Housing Revenue Account (HRA), over those four years, of nearly £13M and, if extended as seems likely, a potential gap of £240M over the 30 year period of the HRA business plan.

The Housing and Planning Act was passed in May 2016. Amongst other provisions, this introduces a right-to-buy to tenants of registered providers (Housing Associations) with the costs of this being cross-subsidised by local authorities selling their 'higher value stock' when it becomes vacant. Regulations setting out what constitutes 'higher value stock' (or a compensating monetary equivalent) have yet to be published and a date for the national roll-out of this extended right-to-buy will be set following the regional pilot schemes announced in the Autumn Statement. Estimates of the financial impact of these 'higher value sales' on the HRA range from an extra £100M to £240M depending on the final definition adopted.

These financial challenges will require careful consideration of all the options which may be available for the governance and management arrangements of the Council's housing stock.

A housing White Paper is being planned by Government, so further legislation affecting the sector can be expected in the relatively near future.

### **Sheltered and Supported Housing, and Travellers' Sites**

The Council operates an effective Single Access Point to streamline referrals into resettlement services. During 2015/16, 59 households were moved on successfully after engaging in a resettlement programme. The Council is currently piloting two hostel mental health workers within Council hostels to assist those with more complex needs.

The Council also owns and manages seven sheltered housing schemes, and four sheltered housing with extra care schemes, which between them provide 365 units. These provide self-contained accommodation with access to communal areas and an element of on-site staffing, and offer safe, appropriate, and sustainable homes for those who need supported housing due to a combination of age, and health and wellbeing needs.

The Council also provides supported housing for single homeless, including the Peasholme Centre and, for young people, Howe Hill. The Council owns and manages three travellers' sites, providing a total of 65 pitches.

## **Homelessness**

Under the Housing Act 1996, the Council has a statutory role in preventing and addressing homelessness. A major achievement by the Council during 2016 was to be awarded 'Silver' in the Gold Standard Challenge (run by the National Practitioner Support Services) as part of a programme of continuous improvement in front-line housing services. This is only one of eight 'Sivers' awarded in the country and the Council's ambition is to achieve Gold Standard in the coming months.

Running counter to a rising national trend, the last year in York also saw the lowest level of homeless acceptances and numbers in temporary accommodation of 91 and 56 respectively; an achievement all the greater when considering the pressure placed on the housing service as a result of the flooding.

This continued reduction in statutory homelessness is assisted by an effective programme of homeless prevention and early intervention work by the Council and its partner agencies. Over the last year some 630 cases of homelessness were prevented.

Regrettably, there exists a small number, between 15 and 18, of rough sleepers in York, despite intensive work by the Council (under its No Second Night Out policy), the Salvation Army and other intervention agencies and facilities.

## **The Council as Housing Regulator and Advisor**

The Council plays an important role as housing regulator in its area and undertakes a number of statutory responsibilities, including licensing and inspecting homes in multiple occupation, and enforcing standards in private sector housing, for example in investigating illegal eviction cases, hazards in the home, and harassment.

It also has a key role as an enabler helping the most vulnerable homeowners and private tenants gain access to financial assistance including statutory disabled facilities grants, flood resilience grants, and loans (where available to remove safety hazards) to ensure that homes are safe.

## **The Council's Private Sector Strategy**

In conjunction with Leeds City Region partners, the Council commissioned a piece of research in 2015 from the Building Research

Establishment (BRE). This identified 3 key problems associated with the private housing sector, both owner-occupied and private-rented:

- Cold homes and fuel poverty.
- Homes which due to their age and type are likely to be the cause of falls.
- The general condition of the private-rented sector proving worst of all sectors.

Using the BRE data, it is possible to quantify the costs of the above to the NHS and to wider society in general.

In 2016, York hosted at the University the Northern Health and Housing Summit; Better Homes, Better Health, with a view to identifying ways of using the Council's limited resources in engaging better with the private sector to improve conditions in homes. This has led to the Council's Private Sector Strategy in which some specific projects include:

- Drawing down Leeds City Region funding to address cold homes and fuel poverty in five priority wards of Clifton, Micklegate, Fishergate, Guildhall, and Holgate.
- Introducing a pilot scheme in Clifton in February 2017 to reduce the risks of falls. Under the wider YorWellbeing scheme, homes will be visited and advice will be given on reducing fall hazards such as uneven paths, insecure floor-coverings, and missing handrails etc.

So far as the approach to the private rented sector is concerned, the Council is focussing on:

- Enforcing legislation on the conduct of letting agents and managing agents, especially with regard to advertising fees and charges. Of the 47 firms in this category, 15 (32%) were not complying with the legislation to display fees and charges, either in their offices or on their websites.
- Introducing a third 5-year Houses in Multiple Occupation (HMO) licensing programme with a new condition that licence-holders must demonstrate they have acquired an up-to-date level of knowledge and skills by, as a minimum, attending a one-day professional development course run by the Council or other accredited providers.

Over the next 12 months the Council intends to:



- Implement the provisions of the Housing and Planning Act 2016 which relate to the private rented sector. These include allowing local authorities to apply for a banning order preventing landlords and letting agents from operating where they have committed certain housing offences (recorded on a national database of 'rogue' landlords), the extension of civil penalties, and tougher compliance tests for landlords.
- Extend the licensing of houses in multiple occupation (in line with new Government provisions) to all HMOs which have 5 or more occupiers who comprise two or more households regardless of the number of storeys making up the property. In addition the Council will implement the standard national bedroom size of 6.52m<sup>2</sup> for one person and 10.23m<sup>2</sup> for two persons within licensed HMOs.

## **SAFER NEIGHBOURHOODS**

### **Community Safety**

York remains one of the safest cities in the UK and its overall low levels of crime are testimony to the well developed partnership arrangements and multi-agency model delivered through the Safer York Partnership and its sub-groups, and by the development of joint working through the Community Safety Unit (CSU) a joint team of police officers, specialist anti-social behaviour personnel, and the neighbourhood enforcement team.

In the Council's 2016 budget, provision was made to increase the permanent staff of the CSU by an additional two Neighbourhood Enforcement Officers, an Anti-social Behaviour Officer, and an additional administrative post. This not only acknowledges the effectiveness of this early intervention 'triage' method of working alongside partners and across Council directorates, but also underlines the Council's commitment to a safer city.

Over the last year, the CSU has introduced four Public Space Protection Orders which enable the use of more effective tools and powers introduced under the Anti-social Behaviour, Crime and Policing Act 2014. In October 2016, the Council obtained its first Criminal Behaviour Order (which last for 3 years, and replace Anti-social Behaviour Orders) against a perpetrator in relation to numerous and wide-ranging offences.

## **Neighbourhood Enforcement Team**

The Council's Neighbourhood Enforcement Officers (NEOs) work across the city in geographical areas aligned to NYP safer neighbourhood teams. Officers carry police radios and mount joint patrols and work with NYP to deliver operations and intelligence gathering.

In January 2016, the NEOs were granted Community Safety Accreditation Scheme (CSAS) powers by the Chief Constable. This gives the NEOs a wider range of enforcement powers, including the power to confiscate alcohol, obtain the names and addresses of beggars and street-drinkers, and issue fixed penalty notices for a range of nuisance and anti-social behaviour offences.

The NEOs work with a wide range of partners and across an extensive programme of enforcement activities. To give a small cross-section of examples:

- Illegal transportation and deposit of waste, and fraudulent use of household waste permits; working with NYP Road Policing, HMRC, Yorwaste, Veritau and the Council's Waste Management team.
- City-centre nuisance sellers and bogus charity collectors; working with NYP and the Council's Trading Standards team.
- Student Waste campaign; working with the British Heart Foundation (BHF) and the two universities. The campaign included an additional bin collection at the end of term and produced 3,500 bags of recycling for the BHF with a value of some £50k.
- During 2016 a total of 13 horses were removed from illegally fly-grazing on Council land, reducing the threat of harm and damage to members of the public, not to mention the welfare of the animals themselves.

## **Fly-tipping**

In July 2016, the Council adopted the newly-introduced Fixed Penalty Notices (FPNs) (£400 reduced to £240 if paid within 10 days) for small-scale fly-tipping. This is a much more efficient and effective method of enforcement than the previous protracted route of prosecution. To date, 10 FPNs have been issued for this offence.

## **Begging, Street-drinking and Rough-sleeping**

This type of anti-social behaviour has already been well reported and is evident on a number of streets in the city-centre although there are hotspots such as King's Square and Exhibition Square. It is not as big a problem in York as it is in many other cities, but it is perhaps more conspicuous in a city centre which is frequented by so many visitors and families. To say it is a complex problem involving in many cases alcohol and drug addiction, and mental health issues is not to excuse it but to emphasise that it requires a wide-ranging strategic mix of enforcement and support by the Council and a host of other agencies.

The Begging and Rough-sleeping Task Group was established in September 2016 involving a range of enforcement and support agencies. The aim of the Group is to work together to reduce begging across the city centre through a balanced programme of education, support and enforcement. A publicity campaign encouraging giving to charity rather than direct to beggars was launched at a St Nicholas Fair chalet in the Coppergate Centre in November with the message: 'Giving to those who beg won't help; giving to charity will'. The campaign provides an opportunity for members of the public to text a gift of £3 which will be distributed to local homeless charities.

A further initiative has been to work alongside the York BID (Business Improvement District) in piloting the concept of 'Rangers' who work together with North Yorkshire Police and the Council's NEO's in patrolling the city centre to report and deter anti-social behaviour.

## **Violent Crime**

There has been an decrease of 9% in recorded violent crime in the city during the first half of 2016/17 compared to the same period the year before. The range of incidents which fall within the Home Office crime recording category of 'violent crime'. This includes offences where the victim is intentionally stabbed, kicked, punched, jostled, pushed or threatened with violence whether there is injury or not.

The vast majority of violent crimes recorded in York fall within the lower levels of severity, heavily linked to alcohol and alcohol-related anti-social behaviour, which continues to be addressed by the Safer York Partnership and AVANTE (Alcohol and Violent Crime in the Night Time Economy) task group. The figures do not indicate any increase in serious violence in the city.

## **Operation Erase**

A multi-agency team made up of Council NEOs, North Yorkshire Police, Network Rail, British Transport Police, the Train Operating Companies, licensees and the Racecourse was set up in 2015 and has continued through 2016 to tackle successfully weekend alcohol-related disorder, caused predominantly, although not exclusively, by hen and stag parties and groups of revellers travelling into York by train and in many cases without paying the fare.

The various aspects of this operation include:

- A hard-hitting poster campaign: 'Had enough ? We have too!
- Multi-agency Action Days.
- Temporary ticket barriers at York Station on Action Days and Race Days.
- Licensees' Code of Conduct.
- Increased police presence.
- Visible policing on trains.

## **Alcohol Strategy for York**

The abuse of alcohol is at the root of much of the crime which takes place in York. The drafting by the Council of an Alcohol Strategy which aims to pull together all the strands of policy relating to society's use of alcohol; health, education, licensing, and community safety is to be welcomed. The aim of the Strategy is that by 2021 it will have achieved:

- A reduction in the number of people harmed by alcohol.
- A reduction in the visible negative impact of alcohol on the streets of York.
- An improvement in the health and wellbeing of the population from reversible and preventable conditions associated with alcohol use.
- A reversal in attitude to the acceptance of binge drinking and the drinking culture.

## **Prevent**

The Counter-Terrorism and Security Act 2015 introduced a new duty for local authorities to have due regard to the need to prevent people from being drawn into terrorism. Under this duty, the Council has produced practice guidance for partners outlining the process for referring individuals into the Channel process and undertaking a comprehensive

programme of training for frontline staff and those working with adults and young people at risk of radicalisation.

## **Safer York Partnership**

The Safer York Partnership is preparing a new three-year Community Safety Strategy which will include a revision to the delivery structure and focus on the following priorities:

- River and Road Safety
- City- centre Safety
- Tackling Anti-social Behaviour
- Tackling Serious Organised Crime
- Revising the Hate Crime Strategy
- Substance Abuse

Finally, the Partnership has taken on strategic governance for domestic abuse, a growing issue up 5% year on year (which also includes children abusing parents) and most likely linked to a focus on encouraging reporting. This changing governance will create a stronger link with the Adult and Children's Safeguarding Boards, and working closely with the North Yorkshire Community Safety Partnership to oversee commissioned services delivered across the city and the county.

Cllr D Carr  
Executive Member for Housing and Safer Neighbourhoods