

Housing Needs and availability update

Housing & Community Safety Scrutiny Committee 27th January 2020

Prepared by Denis Southall, Head of Housing

This paper updates the meeting on housing needs and availability. It focusses on the housing register, the allocations policy and council housing. Following comments when the paper was taken to the 23rd December 2019 Committee meeting, some additional information has been added for this paper. Additional information is noted in the table header.

The Common Allocation Policy

City of York Council is currently in a partnership with other housing organisations across North Yorkshire. This partnership has a common allocations policy which can all be found at northyorkshirehomechoice.org.uk.

I would like to highlight the approach at York which is about giving realistic advice to those new applicants who would be placed in bronze band and are deemed as adequately housed. This involves having a discussion about the prospects of getting housed via the NYHC route and looking at alternatives.

Numbers on the housing register

Current numbers on the housing register for York are (15.11.19):

Emergency	3
Gold	204
Silver	823
Bronze	414
Total	1444

27/1/20 update	Waiting list		
	2014	2018	% change
York	1,207	1,444	19.6%
England	1,368,312	1,114,477	-18.6%
Harrogate	2,341	1,425	-39.1%
Chester	6,085	6,204	2.0%
Exeter	4,000	1,772	-55.7%

A comparison over time and between authorities is included for this report. However it may be noted that waiting list numbers are not a precise measure of housing need when considered for this perspective. This is because policy changes around applicant requirements to be included in the register can have a significant effect on the numbers reported, as well as administrative management of e.g. customers who do not place bids.

Waiting list information should be considered alongside wider affordability measures highlighted below.

Nominations

Some Housing Associations such as Yorkshire Housing and Broadacres are full partners in the NYHC partnership and make properties available on the website to bid on. Others simply use the system to advertise their properties

Within York Housing Association developments are often underpinned by Section 106 planning agreements setting out specific nomination requirements which are embodied in nomination agreements.

In addition City of York Council manage 245 Thirteen Group homes in and around York and these are let using NYHC.

Leaving NYHC

Following extensive consultation the decision was taken to leave the North Yorkshire Home Choice Partnership. This was confirmed by Executive Member for Housing decision on 19.07.18.

A replacement policy has been consulted on and will be implemented when the new Housing ICT system is implemented. The current date for this is 23 November 2020.

Existing stock

The council stock stands at 7512 homes.

Bedsits	88
1 bed	2814
2 bed	2251
3 bed	2161
4 bed	182
5 bed	15
6 bed	1
Total	7512

This includes 11 Independent Living Schemes 2 of which provide Extra Care.

Number of lettings (CYC only):

16/17	610
17/18	589
18/19	605
19/20 (to date)	351

Future Housing Development

The Councils Strategic Housing Market Assessment in 2016 identifies that over the 5-year period 2014/15-2018/19 the Council needed to achieve the delivery of 2,865 affordable units. Delivery over the period to March 2019 was 522 new affordable homes. Over the same period there were 324 Right to Buy (RTB) sales. The annual numbers for the period 2013/14- 2017/18 is presented in the table below

	Affordable housing homes built	RTB
13/14	50	53
14/15	139	52
15/16	109	68
16/17	90	79
17/18	74	72
18/19	60	60
Total	522	384

27/1/20 additional	S106 flats	S106 houses*	Other flats	Other houses*	Unknown type*	Total
2013/14	16	19	0	9	6	50
2014/15	6	31	43	41	18	139
2015/16	2	12	22	73	0	109
2016/17	0	22	0	68	0	90
2017/18	0	10	57	7	0	74
2018/19	0	5	29	26	0	60
2019/20 (Q1 and 2)	20	3	0	6	0	29
Total	44	102	151	230	25	551

* Please note:

1. Properties in the “unknown type” category formed part of a historic external programme where this is not provided.
2. “Houses” includes a small number of bungalows, which are not recorded separately for the purposes of this report.

Current RTB sales this year (2019 /20) total 25 so far.

We've committed to develop 600 new homes across York in 8 council-owned locations. Goals agreed in July 2018 by the council's Executive mean our Housing Delivery Programme will build:

- high-quality homes designed in collaboration with the local community
- accommodation suitable for a wide range of households, meeting a full range of affordable housing
- shared open spaces, sociable neighbourhoods and community cohesion
- homes with higher than required environmental attributes (resulting in lower running costs)
- healthy places where people want to live

Our ambition is to create a wide-reaching legacy for the city which builds on York's rich history as a housing pioneer, developing treasured homes in green and healthy neighbourhoods

Our Housing Delivery Programme will deliver mixed communities where:

60% of homes will be for sale on the housing market (providing funds towards development costs of affordable housing)

40% of the homes will be affordable homes, including shared ownership and rented council housing.

We're also excited to offer individuals and community groups opportunities to self build as part of the programme.

Self and community build enables individuals and groups to create the homes they need and has additional benefits around community cohesion, higher environmental standards, increased use of SME business and a diversified housing market. The council has made a commitment to support this form of housing, starting with the provision of one acre of land at Lowfield. This has been used to provide 6 serviced self-build plots which are currently being marketed and an area of land which Yospace Ltd propose to build a 19 unit cohousing scheme on.

The councils self-build register currently has 350 people specifying a desire for this form of housing. Homes England grant funding has been claimed to employ a specialist self and community build officer who is now progressing an extended programme of small sites to meet this need. The officer is also supporting and enabling new community groups to come forward as well as advising on the new local plan policy for all sites over 5HA to provide a minimum of 5% self-build plots

The 8 sites are:

- Lowfield Green
- Duncombe Barracks
- Burnholme
- Askham Bar
- Former Manor School
- Hospital Fields Road and Ordnance Lane
- Clifton Without Primary School
- Woolnough House

More information on each of the 8 sites can be found at https://www.york.gov.uk/info/20012/housing/2462/housing_delivery_programme

5 bungalows will also be available shortly at Newbury Avenue. Two of these have been heavily adapted, the other 3 are built to be able to be adapted easily and we are hoping to pilot new digital assistive technology here as well.

Older Persons Accommodation Programme

The Older person's Accommodation programme's function is to provide and enable the provision of appropriate accommodation to support older people to live well in later life with the support and care they need.

The programme is currently building Independent Living properties at Lincoln Court and extra care properties at Marjorie Waite Court. Work is ongoing to support the development of additional independent living accommodation across the city being provided by other RSLs and developers.

Based on national demand data York has a shortage of independent living and extra care properties which is forecast to be over 1100 independent living properties and almost 500 extra care properties by 2039. Recent consultation for the Older Person's Accommodation Programme has indicated that the demand for small safe and manageable accommodation may well be higher than the national average so this under-provision may be greater than calculated.

As well as the work completed on Glen Lodge the programme is providing extra units and upgrades at:

- Lincoln Court – Full refurbishment and 15 new apartments on site now. £4.4m
- Marjorie Waite Court – 33 unit extension 29 apartments 4 bungalows. On site now. Due to complete Autumn 2020 £6.5M

Housing demand and supply generally

ONS: Office of National Statistics

27/1/20 additional information

Data for City of York	2011 Census	2018 ONS estimate (experimental data)
Owner occupation	55,227	60,999
Private rent	14,980	15,671
Affordable housing	12,310	12,920
Living rent free	1,035	
Total	83,552	89,590

Data for City of York	2011 Census	2018 ONS estimate (experimental data)
Owner occupation	66%	68%
Private rent	18%	17%
Social rent / other affordable	14%	14%

More information is shown below regarding affordable housing stock in the City of York, it may be noted that there are slight differences to the data shown above as the methodology is slightly different. As the table below is taken from landlord reports this is the most accurate measure.

Data for City of York Additional data 27/1/20	2015	2018
Council owned	7,757	7,617
Registered Provider: social / affordable rented*	4,846	4,973
Registered Provider: Low Cost Home Ownership*	448	419
Total	13,051	12,904

Source: National CORE lettings data

The available data suggests that owner occupation remains the predominant tenure in York, and that the current picture is similar to that reported in the 2011 census. Many households in York are housed securely in homes they own and they may have benefitted from lower prices in earlier decades and/or low current interest rates reducing mortgage costs. By contrast a significant minority of households face a worsening of affordability as costs of home ownership and private rents both rise faster than local incomes.

Median and Lower Quartile housing affordability data for York is shown below.

VOA: Valuation Office Agency

Median data for City of York (ONS / VOA)	2014	2018	% increase
Annual earnings	£25,880	£26,522	2.5%
Monthly earnings	£2,157	£2,210	2.5%
House price	£188,000	£235,000	25%
Affordability ratio*	7.26	8.86	n/a
Private rent (monthly): 1 bed	£565	£625	10.6%
Private rent (monthly): 2 bed	£650	£725	11.5%
2 bed rent as % earnings	30%	33%	n/a
LHA** 1 bed	£445	£430	-3.4%
LHA** 2 bed	£525	£535	1.9%

* the affordability ratio is house prices / annual earnings – a higher figure indicates worse affordability

** Monthly Local Housing Allowance (LHA). LHA is used to determine Housing Benefit / Universal Credit housing element maximum entitlement

Lower Quartile data for City of York (ONS / VOA)	2014	2018	% increase
Annual earnings	£18,438	£19,768	5.2%
Monthly earnings	£1,565	£1,647	5.2%
House price	£153,000	£185,000	20.9%
Affordability ratio*	8.15	9.36	n/a
Private rent (monthly): 1 bed	£507	£575	13.4%
Private rent (monthly): 2 bed	£595	£675	13.4%
2 bed rent as % earnings	38%	41%	n/a
LHA** 1 bed	£445	£430	-3.4%
LHA** 2 bed	£525	£535	1.9%

* the affordability ratio is house prices / annual earnings – a higher figure indicates worse affordability

** Monthly Local Housing Allowance (LHA). LHA is used to determine Housing Benefit / Universal Credit housing element maximum entitlement

Housing affordability has declined in York in recent years, in common with the national trend. Between 2014 and 2018 house prices and private sector rents grew substantially faster than incomes, in both the median and lower quartile measures. At the same time the national policy of restricting Local Housing Allowance has resulted in Housing Benefit levels falling ever further behind even the cheapest 25% (Lower Quartile) of rents in the private rented sector.

Alongside measures to increase the supply of new housing, the pressure for new affordable housing in York is emphasised by local affordability data.

Please see the Appendix below for a regional and national comparison of these trends.

Recommendation:

Scrutiny is asked to note this information and to make any recommendations on this topic.

Appendix: Affordability comparison with comparator Local Authorities (27/1/20 additional information)

Several Authorities have been selected which may be considered “statistical neighbours” to York for the purposes of understanding local housing market affordability.

Median data is shown and the sources are as noted above.

	Local income			House prices			Affordability ratio		
	2014	2018	% change	2014	2018	% change	2014	2018	% change
York	£25,880	£26,522	2.5%	£188,000	£235,000	25.0%	7.26	8.86	n/a
England	£27,485	£29,872	8.7%	£195,000	£239,000	22.6%	7.09	8	n/a
Harrogate	£24,597	£27,150	10.4%	£222,500	£275,000	23.6%	9.05	10.13	n/a
Chester	£24,554	£28,335	15.4%	£170,000	£198,000	16.5%	6.92	6.99	n/a
Exeter	£27,010	£28,844	6.8%	£197,000	£250,000	26.9%	7.29	8.67	n/a

	Rents monthly: 2 bed			Rents as % income			LHA monthly: 2 bed		
	2014	2018	% change	2014	2018	% change	2014	2018	% change
York	£650	£725	11.5%	30%	33%	n/a	£525	£535	1.9%
England	£575	£675	17.4%	25%	27%	n/a	not available		
Harrogate	£650	£700	7.7%	32%	31%	n/a	£595	£593	-0.3%
Chester	£550	£585	6.4%	27%	25%	n/a	£525	£524	-0.2%
Exeter	£705	£775	9.9%	31%	32%	n/a	£600	£612	2.0%