



# **HOUSING STRATEGY**

## **2016-2020**



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# FOREWORD

Exeter City Council is launching its new housing strategy in the midst of a wave of new policy and legislation from Central Government that is seeking to fundamentally change the housing landscape. While new opportunities may present themselves as a consequence, and we stand ready to take advantage of those, there is no doubt that many government policy initiatives will present real problems for councils, like Exeter, that retain their own housing stock and see a continuing key role for social housing. The imposed cut in social rents and the so-called 'high value assets levy' will significantly damage local authorities' ability to invest in their existing stock and finance new-build programmes from the Housing Revenue Account, so ways will need to be found to free up resources to improve our stock (by reducing our operating costs for example) and identifying new mechanisms for increasing housing supply.

Like most places, and especially those cities that are growing and achieving economic success, Exeter has a range of housing 'needs' that go well beyond the aspiration for owner occupation that lies at the heart of current government policy. Issues of housing vulnerability and insecurity, the

challenges faced by low-income households, a significant dependence on private and social rented accommodation, the shortage of affordable housing, are all facts of life and are all things that a housing strategy needs to speak to.

The purpose of this strategy therefore is to set out the challenges we face, the context in which we work, the opportunities that exist, the objectives we have, and how we intend to pursue those objectives within the financial and policy constraints we face over the next four years.

I hope you find it interesting reading.

*R. Hannaford.*



Cllr Rob Hannaford

Portfolio Holder for Housing Revenue Account

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# **EXECUTIVE SUMMARY**

## **THE CITY COUNCIL'S HOUSING STRATEGY 2016-2020 IS SHAPED BY TWO KEY FACTORS**

### **1. NATIONAL POLICY**

The first of these is the national policy context. Insufficient housing is being built. Indeed, there has been a failure by successive governments over a long period to deliver enough housing. This has led to a crisis on the supply side in many areas (typically those such as Exeter with strong and growing economies) which, coupled with increasing demand, has led to significant problems of affordability across all tenures.

At the same time the stock of local authority social housing has been seriously depleted as a consequence of the Right to Buy, a policy that is now being extended to the Housing Association sector (who are to be compensated for their losses by charges being levied on councils in respect of their high value assets).

The challenges facing social housing providers are compounded by recent Government initiatives such as the 1% rent reduction for four years (which will cost Exeter City Council's Housing Revenue Account almost £8 million in that period); the 'pay to stay' policy; the imposition of 'flexible' tenancies; and further restrictions on welfare benefits.

Present government policy seems to be focused exclusively on the promotion of, and support for, owner-occupation to the exclusion of social housing and the private rented sector. This is despite the crucial and growing role of the rented sectors in meeting housing need and delivering homes for all.

## 2. A RANGE OF HOUSING NEEDS

The second key factor shaping the Strategy is the realisation that a “one size fits all” view of housing cannot solve the underlying problem. People have very different housing ‘needs’, ‘demands’ and ‘aspirations’ and require different solutions to meet these. ‘Housing need’ is, in reality, an elusive concept and can be very subjective (although we try to objectify it through our Devon Home Choice assessment procedure) covering everything from finding a safe and warm place to sleep at night to wanting to own your own house.

Contrary to the impression given by Government policy we do not believe that increased levels of owner-occupation are a sufficient solution to our housing problems. While owning your own home is an entirely legitimate aspiration, the fact is

that it is a declining tenure and has little relevance for increasing numbers of people for whom it is an impossible dream on account of its unaffordability. For these people, and particularly those vulnerable people identified in the University of Exeter research study which the Council commissioned in 2014, rented accommodation is the only realistic option, and our interventions must be calibrated to increase the availability, security and affordability of all forms of rented housing.

Our Housing Strategy aims to respond to some of the complexities and realities of the ‘housing crisis’ by:

- 1. ADDRESSING HOUSING NEED AND VULNERABILITY**
- 2. PROVIDING MORE HOUSING**
- 3. BEING A GOOD LANDLORD**



# OVERVIEW

While Local Authorities are not required by Government to have a formal housing strategy, they are expected to have a strategic approach to housing in their local areas: to show leadership, guidance and direction to other stakeholders; and to facilitate a thriving housing market.

Our strategic approach is expressed through this Housing Strategy, which is a high level, over-arching document concerned with promoting a thriving local housing economy in Exeter whatever the tenure. The Strategy is designed to help us clarify and communicate our objectives. It is a four year plan that sets out how we will tackle identified housing issues using the resources we have available.

The Housing Strategy is the principal strategy for the Housing Service. As a high level strategy it has a number of other strategies linked to it (such as the Homelessness Strategy and the Tenancy Strategy) which

contain more detail on how we intend to meet our goals.

The Strategy also reflects and supports the Council's wider objectives as listed in the Corporate Plan. **The Corporate Plan** has five strands which are:

1. Provide services to meet customers' needs
2. Reduce operating costs
3. Invest in the city
4. Grow the economy
5. Support Exeter's communities

An important piece of research that also informs this Strategy was commissioned by the Housing Service and carried out by the University of Exeter in 2014. This research was designed to qualitatively evaluate the housing needs and experiences of Exeter residents. It found that significant vulnerability existed across the city and across tenures.



# OBJECTIVES

## 3 KEY OBJECTIVES

### 1. ADDRESS HOUSING NEED AND VULNERABILITY

Providing housing options, advice and support to all residents

### 2. PROVIDE MORE HOUSING

In particular by exploring ways of delivering new affordable housing across a range of tenures

### 3. BE A GOOD LANDLORD

Raising the standards of our own stock and landlord services, and by influencing the improvement of standards in the private rented sector



## CORE PRINCIPLES UNDERPINNING ALL ACTIONS

- Being committed to equality of opportunity and fair access to services
- Offering high levels of customer service
- Being committed to performance management and improving services
- Delivering value for money

## STRATEGY LAYOUT

Each of the 3 objectives will have a chapter to itself which will follow the same format. Each chapter will be divided into two sections:

### A. Context and challenges

This will set out the facts, figures and reasons why this has been identified as a primary objective. It will list the challenges we face and the constraints and limitations under which we operate .

### B. What we are doing and what we will do

This will list the key actions that we intend to carry out in order to meet our objectives and give some examples of what we are already doing.

# THE NATIONAL CONTEXT

Current Government housing policy concentrates on increasing housing supply and, in particular, supporting and encouraging owner-occupation. Two main features of the present political landscape are the Housing and Planning Bill and welfare reform.

**Exeter City Council will continue to work within these new and evolving parameters, to deliver and maintain our housing services to the best of our capacity.**

## HOUSING AND PLANNING BILL 2015

Proposed measures set out in this Bill (yet to receive Royal Assent at time of writing March 2016) include:

- A focus on **home ownership**, with measures to facilitate the building of self/custom build housing
- **Starter Homes**: councils will have a duty to guarantee the provision of 200,000 new Starter Homes to be offered to first-time buyers at a 20% discount on market prices
- Councils will gain the ability to apply for banning orders against **private landlords**. A database of rogue landlords and agents will be set up. Landlords will have a clear process to secure repossession of properties abandoned by tenants
- The **Right to Buy** for housing association tenants has been introduced as a voluntary arrangement with the National Housing Federation. Compensation to housing associations will be funded by the sale of high value council homes (through a charge levied on councils by the Secretary of State)
- **Pay to Stay**: social housing tenants on higher incomes (expected to be household income in excess of £30,000 in Exeter) will be required to pay up to a market rent
- ‘Lifetime’ tenancies for social housing tenants to be replaced by **‘Flexible’ or time-limited tenancies**

## WELFARE REFORM

Following the reforms in 2012, further welfare reforms were announced in 2015. These included:

- Restricting benefit access to 18-21 year olds
- Reducing Employment and Support Allowance claims to align with the Job Seekers’ Allowance rate
- Continuing the freeze on working age benefits
- Reducing social housing rents by 1% a year for the next 4 years
- Restricting the income threshold for tax credits, and access to these, and limiting Universal Credit to two children
- Increasing free childcare for working parents



# 1. ADDRESS HOUSING NEED AND VULNERABILITY

by providing housing options, advice and support to all residents

## A. Context and challenges

### Key issues

- High and increasing demand for housing in Exeter
- Widespread housing vulnerability and homelessness across the city
- Financial pressures on residents

Homelessness and unmet housing need are significant problems for Exeter even though the city is doing well economically. Numbers of rough sleepers have increased significantly and competition for social housing remains high.

- ⇒ Population of Exeter predicted to increase to 132,087 by 2023
- ⇒ Households in Exeter predicted to increase by 8,800 to 58,000 by 2023
- ⇒ 2,492 households registered on Devon Home Choice with medium or high housing need
- ⇒ 589 Exeter dwellings per year needed on average until 2033
- ⇒ 325 affordable Exeter dwellings required on average per year until 2033
- ⇒ Average sold house price in Exeter in 2015 was £255,100 (Zoopla, 2015). This is 9.5 times the median full time salary of £26,624 (ASHE, 2014)
- ⇒ Owner occupation in Exeter is 61%, but is decreasing. Nationally, ownership peaked at 69% in 2001; it fell to 64% in 2011
- ⇒ 22% privately rent in Exeter, a figure that is above national average, and is increasing

- ⇒ 10% of households in Exeter rent from a local authority
- ⇒ 7% of households in Exeter rent from a housing association
- ⇒ 192 cases of homelessness were prevented in 2014/15 in Exeter through providing the support to stay in an existing home, or by assistance to secure alternative accommodation
- ⇒ 27 rough sleepers were identified in the city in 2015



# 1. ADDRESS HOUSING NEED AND VULNERABILITY

## B. What we are doing and what we will do

### I. TACKLE HOMELESSNESS

Exeter has had relatively high rough sleeping numbers over the last few years. The 2015 figure of 27 rough sleepers acts only as an indication of the numbers on a specific night, meaning that the rough sleeping population is likely to be greater.

Furthermore, there is a high degree of hidden homelessness<sup>1</sup> in the city. The Council is working closely with other organisations to take a preventative approach aiming to resolve root causes, alongside providing crisis management, in responding to these issues.

Exeter City Council has produced a combined Homelessness Strategy with Teignbridge District Council. This partnership, created through the development of the Homelessness Strategy, has cemented a commitment to working more closely to overcome and prevent homelessness.

**THE HOMELESSNESS STRATEGY**, which complements this Strategy, has four key themes, each having its own priorities:

#### 1. A PLACE TO LIVE

- Increase access to good, safe and affordable accommodation
- Help people stay at home
- Improve access to the private rented sector
- End the use of bed and breakfast accommodation for families and young people
- Bring rough sleeping to an end



### 2. ACCESS TO SERVICES

- Maintain and improve the customer experience
- Offer services at times and places to suit customers
- Make sure help is accessible to everyone
- Improve accessibility of services

### 3. HEALTH AND PROTECTION

- Improve the health and well-being of homeless people
- Help protect the vulnerable from violence and abuse
- Support people released from prison, hospital and leaving the armed forces

### 4. MONEY MATTERS

- Help people manage their finances when faced with homelessness
- Target investment on reducing homelessness
- Maximise opportunities with partners and provide better value for money

### INTEGRATED CARE EXETER (ICE)

The Integrated Care Exeter (ICE) project consists of an integrated Health and Well-being Team for homeless people, and enables access to healthcare for Exeter's highly vulnerable and homeless residents. The team comprises professionals from across the Assertive Homeless Outreach Team, Drug and Alcohol Services, Mental Health Services, Adult Social Care, Onward Care Services, and the Police. This partnership is working together to prevent long term entrenched health problems, through timely support and intervention, crisis support, and post crisis aftercare.

<sup>1</sup> Hidden homelessness includes sofa surfing, temporarily staying with friends or family, living in entirely inadequate accommodation i.e. due to overcrowding, quality, or in inappropriate temporary accommodation.

# 1. ADDRESS HOUSING NEED AND VULNERABILITY

## B. What we are doing and what we will do

### HEALTH AND WELL-BEING HUB AT WAT TYLER HOUSE

Exeter Council for Voluntary Service (Exeter CVS) has created a multi-agency health and well-being hub at Wat Tyler House in King William Street. A grant of £440,000 from Public Health England is being used to offer a GP surgery, probation service, substance misuse support, mental health outreach and complex needs housing advice. The Hub will enable each individual to assess and address their needs through having wellbeing, health, accommodation, training and skills advice all in one place. It will provide a package of support mechanisms to help people live independently.



### II. PROVIDE FINANCIAL ASSISTANCE

Over 50% of Exeter City Council's tenants rely on housing benefit, at least in part, and Council tenant rent arrears, as a percentage of debt, have been increasing year on year since 2012. We are working hard to be proactive and prepared for future changes to residents' financial needs, and have a wide range of solutions to respond to residents facing financial difficulties. We offer appropriate financial advice alongside housing options, and where the Council is unable to offer advice, we signpost customers to the most appropriate organisation.

### PAYMENTS AND COLLECTIONS TEAM AT EXETER CITY COUNCIL AND EXETER MONEY ADVICE PARTNERSHIP (EMAP)

Our 'One View of Debt' approach takes a holistic view of debt owed to Exeter City Council. We consider rent arrears, Council Tax arrears, Housing Benefit overpayments and other sundry debts together when negotiating an affordable repayment plan with our customers. We strive to engage with our customers so that we can fully understand their circumstances. We refer our customers to independent budgeting and debt advice through the Exeter Money Advice Partnership (EMAP) consisting of colleagues from Exeter Citizens Advice Bureau (CAB) and Homemaker, to find sustainable solutions for customers and to encourage financial independence.

### III. PROVIDE QUALITY HOUSING OPTIONS ADVICE

There are currently 2,492 households registered on Devon Home Choice with medium or high housing need, and given that only 316 Council owned properties became available to let in 2014/15, many households need to explore alternative housing options. In order to do this, Exeter City Council works closely with other organisations: housing associations, the private rented sector and bodies such as Exeter Citizens Advice Bureau (CAB) and Plymouth Access To Housing (PATH) both of which are co-located at the Civic Centre, in order to support residents in finding and sustaining housing solutions whatever their circumstances.

## 2. PROVIDE MORE HOUSING

in particular by exploring ways of delivering new affordable housing across a range of tenures

### A. Context and challenges

#### Key issues

- Whilst housing supply is keeping up with the adopted plan housing target, market signals indicate a current imbalance between supply and demand
- Much housing in the private sector, whether to buy or rent, is unaffordable
- Options for social and affordable rents are reducing

Increasing the supply of housing is now a key national priority. Locally, it is essential in order to facilitate the continued economic growth of Exeter and to meet the needs and aspirations of residents.

Demand for all forms of housing is high and rising. Almost 40% of households in Exeter rent a home and rents in the private sector are increasing. House prices in Exeter went up by 137% over the period 2000-2013, a higher rate of increase than in both Devon and England. For those on average or below average Exeter salaries, access to housing is restricted.

Housing supply since 2006 has matched the annual delivery rate based on the planned

total housing provision target of at least 12,000 dwellings, but plan makers will need to consider how to respond to indicators provided by current market signals such as land prices and housing affordability when assessing future housing needs.

- To access owner occupation in Exeter requires a salary threshold of between £27,100 and £43,400
- Exeter's average full time salary is £27,924
- The salary needed to secure a 1 or 2 bed flat, or 2 bed terrace in Exeter in the Private Rented Sector is between £25,200 and £31,200



## 2. PROVIDE MORE HOUSING

### A. Context and challenges



The Core Strategy for Exeter requires the provision of at least 12,000 additional homes in Exeter between 2006 and 2026, in the following locations:

- Suitable sites within the urban area outlined in the Development Plan Document (DPD).<sup>2</sup>
- Three ‘greenfield’ strategic allocations on the outskirts of the city: Monkerton / Hill Barton; Newcourt; and South West Alphington

The latest annual Strategic Housing Land Availability Assessment (SHLAA)<sup>3</sup> was published in July 2015 and showed that 5,721 of the 12,000 additional homes outlined in the Core Strategy had been completed. Planning consent has been granted for a further 5,339 homes, amounting to 11,060 homes in total and not far short of the minimum 12,000 target by 2026.

The SHLAA outlines a further 4,045 homes that are to be built on sites within the urban

area and the strategic allocations by 2026, bringing the total to 15,105 homes developed in Exeter – over 3,000 homes more than the Core Strategy’s minimum requirement for 2006 - 2026.

- On average 25 properties per year are bought through Right to Buy; this number has risen since the government increased the amount of discount available, and is now five times higher than the figure in 2010
- 316 council properties let 2014/15
- 588 social lettings in Exeter 2014/15
- 431 affordable homes completed in last 4 years
- 429 affordable units are currently started on site
- 16 empty properties brought back in to use 2014/15
- There are 320 long term empty properties in Exeter

<sup>2</sup> <http://exeter.gov.uk/planning-services/planning-policy/local-plan/core-strategy-development-plan-document/>

<sup>3</sup> <http://exeter.gov.uk/planning-services/planning-policy/monitoring-and-evidence-base/strategic-housing-land-availability-assessment/>

### B. What we are doing and what we will do

#### I. INCREASE HOUSING SUPPLY

We will continue to negotiate with developers, and work closely with neighbouring authorities and other agencies to increase and secure affordable housing supply to buy and to rent across the city.

##### HOUSING COMPANY

We are currently exploring the viability of setting up a Council-owned Housing Company which would aim to develop and finance a house building programme outside the Housing Revenue Account.

##### DEVOULATION

23 partners across the Heart of the South West (HotSW) area have outlined their case for a devolution deal which would benefit the HotSW area. A 'Statement of Intent' has been submitted to Government in response to its move to devolve powers and budgets from Westminster. With key themes of economic growth; health, social care and wellbeing; and infrastructure and local resilience, the document sets the scene for discussions with Government about what powers could be devolved. In terms of housing, the current devolution proposition is to develop a housing 'growth offer' to Government that will accelerate housing supply in appropriate areas (especially those needing to accommodate rapid economic growth).



#### COUNCIL OWN-BUILD AND EXTRA CARE: PASSIVHAUS STANDARD ECO-HOMES

All of the new Council own-build homes, and the planned Extra Care housing at St. Loyes, are designed to provide a sustainable living environment. The houses are filled with technology to assist tenants in keeping a low energy, high performance home. A booklet, designed to help tenants make the most of these technologies, is provided to households.

The buildings are designed to minimise the need for space heating and cooling, reducing running costs and becoming more affordable for tenants. Built to Passivhaus standard – a performance-based set of design criteria for very low energy buildings – each property is built on the principle of reducing heat loss.

Families living in these properties benefit from reduced fuel and water bills, and the properties contribute to lowering carbon emissions and more sustainable living.

##### EXTRA CARE

Extra Care housing can provide an alternative to a care home. Residents have their own self contained homes, available through mixed tenure, which allow people to live as independently as possible, but also provide access to varying levels of onsite care and support when needed.

The Housing Development Team at Exeter City Council, together with project managers Arcadis and architects Architype, submitted a planning application for a 53 unit Extra Care scheme in January 2015. Units will be available to rent, or as shared ownership to rent/buy. This scheme forms part of the Millbrook Care Village development on the former St Loyes College site on Topsham Road.

### B. What we are doing and what we will do

#### II. BRING EMPTY HOMES BACK TO USE

Returning empty properties back to use is both cheaper and faster than building new ones. With 320 long term (6 months or more) empty homes, Exeter has a comparatively low number. Our Empty Homes team works systematically with other Council departments and external sources to address the issue in a responsive and proactive manner.

This approach has yielded significant success, with 16 properties returned to use in 2014/15, some of which had been empty over twenty years, and 86 properties returned to use since 2010.

#### ANNUAL REVIEW OF EMPTY HOMES

A review of empty homes, in line with New Homes Bonus<sup>4</sup> funding, is carried out annually. All empty homes owners are contacted to:

- Establish the current status of the property to ensure they are correctly listed on Council Tax records
- Establish a timescale for re-occupation
- Supply owners with details of the Empty Homes Service, and options available to them, such as lettings schemes and low cost loans that could assist in returning the property to use

Response rates are usually high, around 70%, and those who do not respond are flagged for further investigation. Most intervention involves negotiation with owners to bring the property back to use either through sale, renting in the private sector, or letting through Council schemes or Housing Associations. Where it is not possible to work with the owner, for whatever reason, enforcement measures may be used, but this is only as a last resort.



#### III. ACQUIRE HOUSING ON THE OPEN MARKET

£1 million has been set aside in the HRA for the financial year 2016/17 to purchase property on the open market, as a relatively quick and cost effective way of increasing our stock.

#### IV. MAKE THE BEST USE OF OUR HOUSING STOCK

We have reviewed and will continue to review our Allocations Policy and Tenancy Policy. We aim to efficiently let our properties to those who need them for as long as they continue to need them.



<sup>4</sup> The New Homes Bonus is a grant paid by central government to local councils for increasing their number of homes. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions, and long-term empty homes brought back into use.

### B. What we are doing and what we will do

#### TENANCY STRATEGY AND POLICY

Our Tenancy Strategy applies across the city to all registered providers. It increases the availability of affordable/social housing in two ways:

- Affordable rents fund housing associations' building programmes
- Flexible Tenancies are designed to increase turnover

The Council introduced Flexible Tenancies in 2013. Such Flexible Tenancies may become compulsory for virtually all new tenants under the Housing and Planning Bill 2015.

#### ALLOCATIONS POLICY

Recent amendments to our Allocations Policy brought in a range of measures designed to streamline the number of households registered with Devon Home Choice and to prioritise housing need, as well as local connection. Changes also manage expectations, and implement preventative measures to avoid and reduce crisis cases.



#### TEMPORARY HOUSING

The Council has access to various types of temporary housing in order to fulfil our duty to find accommodation for people facing statutory homelessness. The ExtraLet temporary housing scheme is being replaced by the Renting Support Service, implemented by Plymouth Access to Housing (PATH), and the ongoing Private Sector Leasing (PSL) Scheme. Through the PSL Scheme, the Council can help bring empty or non-decent properties up to the Decent Homes Standard. The owner then leases the property to the Council, who sublet to the tenant.

#### WHEELCHAIR ACCESSIBLE PROPERTIES

In 2015, three (15%) of the new Council own-build properties were built to be fully wheelchair accessible. Features such as height adjustable worktops, mean that properties can be adapted to be suitable for a range of household needs. The Housing Development Team also secures 5% wheelchair accessible housing for all new sites in the city that provide affordable housing under Section106 agreements<sup>5</sup>. Tenants are 'direct matched' by our Occupational Therapist, to make sure the homes are custom-built to meet the needs of tenants with disabilities.



<sup>5</sup> A 'Section 106 agreement' is a legal arrangement entered into between a local planning authority and persons interested in land which imposes certain planning obligations.

### **3. BE A GOOD LANDLORD**

**by raising the standards of our own stock and landlord services, and by influencing the improvement of standards in the private rented sector**

#### **A. Context and challenges**

##### **Key issues**

- Reduction in the number of existing council properties
- Housing supply not keeping up with demand
- Affordability and vulnerability issues
- Relatively poor standards in some parts of the private rented sector
- Much housing in the private sector, whether to buy or rent, is unaffordable

For many people, particularly young people setting up home for the first time, renting a property is the only viable option. Home ownership may be an aspiration for many people but with average deposits running at over £70,000 nationally, and house prices rising far higher than the rate of inflation, it is likely to remain just that. It is estimated that, if present trends continue, by 2032 home ownership will have fallen to 49%, 35% will rent privately and only 16% will be in the social rented sector<sup>6</sup>. This is the reality of housing in the UK and why our efforts as both landlord and strategic authority must have a strong focus on the rental sector over the next four years.

WE WILL PURSUE TWO MAIN OBJECTIVES:

1. Firstly, as the principal landlord in Exeter we will lead by example by managing our own stock effectively and by investing in it to improve standards.
2. Secondly, in our capacity as the strategic authority, by working in partnership with key stakeholders in the private rented

sector, we will improve advice and information; develop policy; and sponsor new initiatives to help drive up standards in the sector.

We wish to be a good landlord: to provide safe, secure, affordable, well-managed and well-maintained homes for all our residents. We want the private sector to be the same.

WE OWN AND MANAGE AROUND 5,000 COUNCIL PROPERTIES BECAUSE:

- It is a successful and cost effective way of providing quality, affordable, secure housing to those who are in need
- It allows close collaboration between those people working to meet housing need, those involved in supplying new affordable housing, and those who manage that housing
- It enables us to meet our wider corporate aims, including supporting successful, sustainable communities

<sup>6</sup> Thomas, R (2014) *Reshaping housing tenure in the UK: The role of buy-to-let*. London: IMLA

#### A. Context and challenges

##### **HOUSING REVENUE ACCOUNT (HRA) FINANCE CHANGES 2015**

The Localism Act (2011) allowed councils to take control of their housing rental income to self-finance housing management and assets. Following the decision to reduce social housing rents by 1% per year until 2020, announced in the July 2015 Budget, Exeter City Council's HRA budget has consequently been reduced by £7.9 million over the next four years. In addition, this budget is expected to incur further forced expenditure through the Government's proposed levy on high value housing stock. These pressures on the HRA will inevitably have a significant impact on the outcomes Exeter City Council can achieve with its housing.

##### **THE PRIVATE RENTED SECTOR**

The Private Rented Sector in Exeter is growing and accounts for around 22% of all housing in the city. It offers a flexible form of tenure and contributes to greater labour market mobility, yet housing conditions in this sector are often worse than for any other tenure.

While the proportion of stock with Housing Health and Safety Rating System (HHSRS) hazards in Exeter is relatively low, 9% of owner occupied properties, and 11% of private rented sector properties, have such hazards.

The percentage of properties in the Private Rented Sector whose occupants are in fuel poverty is relatively high (20%).

##### **HOUSES IN MULTIPLE OCCUPATION**

Exeter has a high proportion of HMOs, accounting for 11% of the housing stock. This is largely due to the significant number of

student residences. Around 800 (16%) of these properties are covered by mandatory HMO licensing, but not student halls of residence. These HMOs are inspected every five years (or in response to a complaint) to ensure that the landlords are complying with licensing conditions, and that the properties are free from HHSRS Category 1 or Category 2 hazards.

- Private rental costs in Exeter are on average £840 per calendar month, £120 above the average for England (NHF, 2014)
- Council rents in Exeter average £76.63 per week (£332 per calendar month)
- Housing association rents in Exeter average £85.21 (£369 per calendar month)
- Over a quarter of households in Exeter (27.1%)<sup>7</sup> have at least one health problem
- 17% of Exeter's population have their day to day activities limited a little or a lot by a long term health problem or disability.
- By 2023 the number of people in Exeter over 65 is predicted to be 22,152, an increase of 8.7%
- 9% of those waiting on the housing register have accessibility needs (wheelchair access, step free or maximum of 3 steps)
- Exeter's White British population 88.3%
- Black and Minority Ethnic (BME) 11.7%,
- The largest BME group is Chinese (1.7%) followed by Indian, Pakistani and Bangladeshi (1.1%)

<sup>7</sup> 2011 Census

#### B. What we are doing and what we will do

##### I. PROVIDE QUALITY COUNCIL HOUSING

In 2015 we restructured our Landlord Services. The business case that drove our restructure focused on seven requirements:

1. Know our customers
2. Know our stock
3. Manage our budgets and plan for the future
4. Work corporately
5. Improve performance
6. Adopt a new, proactive, way of working
7. Re-balance our staffing structure

We now have two services – Asset Management and Customer Services – split into five teams covering reactive repairs; programmed repairs; compliance; customer relations and lettings and leasehold services.

##### ASSET MANAGEMENT

We will provide a responsive repairs service that meets the needs of residents, represents value for money and is cost effective. We will maintain and improve our properties by implementing programmes that make the best use of our resources to benefit both our assets and our customers.

We aim for our properties to meet or exceed the Decent Homes Standard (currently less than 3% are non-decent).

We have transformed our voids performance: two years ago our void times were poor (around 53 days); we are now averaging less than 22 days on standard voids and aim to reduce this further year on year, thereby helping to meet housing need by making suitable properties available more quickly.

##### CUSTOMER SERVICES

Our Lettings and Leasehold Team and Customer Relations Team manage tenancies from start to finish in a proactive manner.

In order to be a good landlord we need to work closely with other providers in the city. We will develop and improve our relations with housing associations in the city in order to provide better services for whole neighbourhoods.

We are currently reviewing our housing and housing-related support services for older people following the withdrawal of funding from Devon County Council. We are maintaining the current warden service and emergency alarm system until at least March 2017. After that we hope to introduce new arrangements in partnership with the voluntary sector that will deliver better outcomes for residents and are financially sustainable, affordable and meet reasonable needs.



#### B. What we are doing and what we will do

##### HOUSING CUSTOMER RELATIONS OFFICER VISITS TO EXETER CITY COUNCIL TENANTS

We have begun a programme of regular visits to all of our tenants to enhance our knowledge of our customers, properties and tenancies. At present, we are halfway through our initial visits, resulting in around 80% of tenants being placed in an annual visit programme, with the remaining 20% placed on a programme of more frequent visits for a variety of reasons. These visits allow us to:

- Get to know our tenants
- Ensure landlord services best meet tenant needs
- Understand the demands placed upon the service
- Discuss tenancies where necessary
- Check properties for repairs and maintenance issues
- Ensure our vulnerable tenants are receiving the support they need

##### ANTI-SOCIAL BEHAVIOUR

Exeter City Council's Housing Anti-Social Behaviour Policy and procedures are currently undergoing a full review, involving tenants, leaseholders and other housing organisations. Anti-social behaviour is a complex area that needs to be responded to proportionately, in line with the most up to date legislation, and with a solution focused approach.



#### B. What we are doing and what we will do

##### RESIDENT INVOLVEMENT

We believe that residents should have a number of opportunities to influence and affect our policies; our decision-making; our performance; our management and maintenance of our properties; and our standards of service.

Our Resident Involvement Strategy is currently under review.

##### PERFORMANCE SCRUTINY PARTNERSHIP (PSP)

All social housing providers are expected to allow their tenants and leaseholders to shape and improve services, and to hold their landlords to account. At Exeter City Council the Performance Scrutiny Partnership (PSP) is a group of tenants and leaseholders who review services and performance, providing recommendations and feedback to the service. The PSP has helped develop five Key Pledges for the Housing Service, and are currently involved in the review of anti-social behaviour.

##### OUR FIVE KEY PLEDGES:

1. We pledge to provide safe, well maintained homes
2. We pledge to work in partnership with other organisations to create neighbourhoods which are safe and well maintained, and where people want to live
3. We pledge to work with tenants and leaseholders to ensure all terms and conditions of our tenancies are understood and complied with
4. We pledge to let our properties promptly, fairly and consistently in order to meet housing need and help create sustainable communities
5. In order to meet all our pledges we will involve our residents, and provide services which are fair, equitable and accessible



#### B. What we are doing and what we will do

##### BEING MORE THAN A LANDLORD

We are by far the largest landlord in Exeter, but we are more than just a landlord.

In the next four years, and particularly with the recruitment of our new Housing Community Partnerships Officer, we plan to initiate, or be involved in, a range of community based initiatives. These include:

- Developing partnerships with local voluntary and charitable groups to deliver more appropriate and affordable services
- Boosting resident capacity to help people improve their own lives
- Tackling fuel poverty
- Maximising income, especially welfare benefits
- Addressing health and well-being matters, particularly issues around loneliness and isolation
- Minimising anti-social behaviour



##### II. IMPROVE CONDITIONS IN THE PRIVATE SECTOR

###### HEALTH AND SAFETY AND ENERGY EFFICIENCY

Support is available for low income homeowners, tenants and landlords to increase the energy efficiency of their homes, and to apply for low interest repair loans.

###### LOW INTEREST HOME REPAIR LOANS

Low Interest Home Repair Loans are available to low income households in order for them to undertake essential repairs, and to bring their homes up to the Decent Home Standard. These loans are administered through Wessex Home Loans who hold loan funds on behalf of many South West local authorities.

###### ENERGY EFFICIENCY

Exeter City Council is part of the CosyDevon scheme, together with other Devon Local Authorities and energy supplier E.ON. The scheme helps eligible households become more energy efficient. ECO<sup>8</sup> is a Government-led energy saving scheme funded by energy suppliers. It aims to reduce the amount of energy homes in Britain use and waste, and also ease fuel poverty.

The Central Heating Fund has been set up to incentivise the installation of first time central heating systems in fuel poor households who do not use mains gas as their primary heating fuel. This fund has been accessed through the CosyDevon partnership, with £1 million awarded to support eligible local households. Helping households overcome these high initial costs will reduce the potential for cold-related illnesses and reduce fuel poverty.

<sup>8</sup> ECO funding is due to end March 2017 but it is intended to replace it with a new scheme.

#### B. What we are doing and what we will do

##### ENHANCING STANDARDS

Our capacity to improve conditions in the private rented sector is supported by proposals set out in the Housing and Planning Bill 2015 which include measures to tackle rogue landlords. The Deregulation Act 2015 also introduced additional requirements for landlords to comply with before serving a Section 21 Notice to end a tenancy. This will work in favour of tenants on assured shorthold tenancies entered into on or after 1st October 2015.

##### WE WILL CONTINUE TO PROMOTE HIGH STANDARDS IN THE PRIVATE RENTED SECTOR THROUGH:

- Leading by example in how we manage and maintain our own stock
- Offering education, advice, and support to landlords and tenants by sharing good practice through our Private Rental Forum, Exeter's Landlords' Forum, and the Landlords' Handbook
- Identifying and dealing with hazards to improve conditions of properties, taking enforcement where necessary
- Working in partnership with Private Rented Sector landlords to improve security and stability for tenants

##### PRIVATE RENTAL FORUM

This city-wide group of private tenants, landlords and local organisations aims to be a platform for all those with a connection to the Private Rented Sector to have a voice and be part of a positive vehicle for change.

##### IT HAS THE FOLLOWING KEY AIMS:

- Provide better understanding of landlord and tenant rights and responsibilities, and identify where to get help if needed
- Improve access to Private Rented Sector accommodation
- Improve local property standards in the Private Rented Sector
- Promote good practice and share knowledge

##### OVER THE COMING YEAR THE FORUM WILL UNDERTAKE TO:

- Promote, distribute and update Landlord Guides and Tenant Handbooks
- Hold information days in Princesshay for local landlords, tenants and students
- Organise Landlord Forums in collaboration with the National Landlord Association
- Produce a Landlord Newsletter



#### B. What we are doing and what we will do

##### EXETER'S LANDLORDS' FORUM

Our Housing Development Team and the National Landlord Association (NLA) have successfully held Exeter's Landlords' Forums since 2009. Organised twice a year, the Forum is a free information and networking event, and is open to all private landlords, letting agents, and anyone interested in letting property.

##### LANDLORDS' HANDBOOK

Produced by the Housing Development Team, the Landlords' Handbook is an online guide, frequently updated, aimed at helping landlords and agents understand their rights and responsibilities in order to ensure a quality service is delivered by them, and experienced by tenants.

##### TENANT HANDBOOK

A Tenant Handbook will be produced to complement the Landlords' Handbook. It will provide advice and guidance to tenants in private rented accommodation and inform them of their rights with regard to landlords and renting privately.

##### HOUSES IN MULTIPLE OCCUPATION (HMO)

In February 2015 we introduced an additional licensing scheme in respect of properties that are classified as HMOs that have been converted into self contained flats, and where more than a third of the flats are rented. The scheme also covers flats in multiple occupation above commercial buildings. It is anticipated that this scheme, which will last 5 years, will cover around 400 HMOs, all of which will be inspected within 5 years of their licences being granted.

##### III. PROMOTE HEALTHY NEIGHBOURHOODS

Overall responsibility for health and wellbeing sits with Devon County Council, but Exeter City Council has a role in promoting healthy living and protecting citizens under the Care Act (2014).

Housing is at the heart of healthy neighbourhoods. We will continue to work with tenants, residents and agencies to promote healthy neighbourhoods and improve the housing conditions of Exeter properties. We will connect residents with the most appropriate support mechanisms, reduce fuel poverty, and reduce the risk and incidents of homelessness. Our Housing Community Partnership Officer is linking with the Health and Wellbeing Board; connecting with community bodies, and involving residents in the way the housing service is run.

##### PROVIDE HOUSING ADAPTATIONS

Where residents require additional help to remain living independently, whether due to long term illness, disability or old age, the Council has a responsibility through the Care Act (2014), to ensure housing supports wellbeing. We have access to Disabled Facilities Grant (DFG) Funding through the Better Care Fund in order to adapt properties. We also provide minor adaptations ourselves through the Housing Revenue Account.



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# CONCLUSION

Most commentators and professionals working in the field agree that a range of housing ‘interventions’ is needed to address the UK’s housing crisis in all of its different facets. A focus on home ownership, while meeting the aspirations of some, cannot be the only ‘tool in the box’. This Strategy tries to recognise that reality and has set out the various ways in which the Council, working within the constraints of the national policy and financial framework, will seek to respond to Exeter’s housing needs over the next four years.

It will do so by meeting the challenges and pursuing the range of activities and initiatives we have described.

If you have any questions about any aspect of this Strategy please contact:

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