

## **LOCAL GOVERNMENT AND HOUSING COMMITTEE**

### **LOCAL HOUSING STRATEGIES**

#### **PURPOSE**

1. This paper invites Committee to consider the Working Group report on proposals for a new framework for Local Housing Strategies (see Annex 1).

#### **RECOMMENDATION**

2. That the Committee considers the report and submits views to the Minister for Finance, Local Government and Communities ahead of formal consultation.

#### **TIMING**

3. Subject to consideration of Committee's views on the report, and the logistics of printing, it is intended to issue by the end of June. The Partnership Council at its meeting on 9 July will also consider the Report

#### **BACKGROUND**

4. The Working Group report is the outcome of the first stage in the review of the Local Housing Strategy process (Committee was informed about the Review and the establishment of the Working Group at its meeting on 13 December 2000 [LGH 15-00]). The consultation exercise will in particular ask for views on the resource and timing implications of the working group proposals, and whether the Assembly should make representations to the UK Government for primary legislation to make Local Housing Strategies a statutory requirement.

5. The Report will be of significant interest to those organisations that play a role in housing policy and services at the local level. Among these are local authorities, registered social landlords, and the private and voluntary housing sectors. These sectors were represented on the Working Group and were consulted at the outset of the Review. This particular consultation will provide an opportunity to comment on the Group's recommendations before the Assembly models them into guidance.

## CONSIDERATION

6. The main conclusions and recommendations in the Working Group report are as follows:

- it is vital that the fundamental importance of housing to promoting and improving the quality of life of local communities is taken account of in local authorities' strategic plans. In light of this, and given that Community Strategies are in their infancy, the Group has recommended that Local Housing Strategies remain in place, but that this position should be reviewed within 5 years in light of the development of the Community Strategy framework;
- the Local Housing Strategy process should first and foremost be a local one to enable local authorities, in close collaboration with their housing partners, to:
  - identify local housing issues, and opportunities to improve and make better use of housing in their localities; and
  - respond strategically to housing issues and opportunities, making better links to Community Strategies for individual localities and for the authority as a whole.
- Local Housing Strategies should:
  - address housing needs and demands identified in all housing tenures;
  - address the housing requirements of all sections of the community (including, groups with special housing needs), championing the rights of all housing consumers;
  - harness the capacity of all relevant local organisations; and
  - look beyond administrative boundaries.

7. To enable authorities and their partners to produce higher quality strategies, the Working Group has also made more specific recommendations including:

- the strategies should cover a five-year period but with overarching housing objectives that are longer-term to establish a housing vision for the area, within the context of the vision and timescale for promoting and improving quality of life as set out in the Community Strategy;
- local authorities should produce Housing Operational Plans that contain interim targets/ milestones for all target outcomes in the Local Housing Strategy; contain a section showing progress made in the year just completed; and plan activity for at least the next

financial year ahead;

- authorities should put in place formal arrangements to facilitate a corporate approach to formulating and monitoring the strategies, and publish a process and timetable for involving their external partners in the strategy process;
- authorities should carry out a rigorous housing assessment prior to each five-year strategy. These assessments should be a joint housing-planning function for the both the Housing Strategy and the Unitary Development Plan;
- the National Assembly should provide detailed guidance on the completion of housing requirements assessments, and advice on encouraging local authorities to make far greater use of their existing powers to facilitate private sector involvement in meeting local strategic housing objectives (these should be Advice Notes to the main Local Housing Strategy guidance);
- the strategies should be made easily available to local housing related organisations and the local community;
- local authorities should review the capacity and resources that they devote to their housing strategy function; and
- the National Assembly should use five-year Local Housing Strategies to build up a "national housing picture" and annually review progress against the strategies through analysing Local Authority Housing Operational Plans and Council Housing Business Plans.

8. Allied to these recommendations on the Local Housing Strategy process, the Group suggests that the National Assembly *"urges the UK Government, at the earliest opportunity, for primary legislation to make Local Housing Strategies a statutory requirement."*

## **COMPLIANCE**

### **National Assembly Powers**

9. The main general power of Section 40 of the Government of Wales Act 1998 gives the Assembly supplementary powers, that can be used in conjunction with its general housing powers, to encourage local authorities to produce Local Housing Strategies. However, the Assembly cannot compel authorities to do so.

10. There are no issues of regularity or propriety connected to this submission. The Assembly Compliance Office has been consulted about this submission and is content with compliance aspects.

## Financial Implications

### Local authorities

11. Producing the type of high-quality strategies advocated by the Working Group will have resource implications for local authorities. In particular, authorities will be required to carry out more rigorous assessments of housing requirements and more meaningful consultation than they do at present. In light of this, the Report recommends that *"local authorities should review the capacity and resources that they devote to their housing strategy function"*.

12. However, the Report also points out that the *"new Local Housing Strategy process will not necessarily require a need for increased resources in all cases. Although additional resources will be required to undertake a more robust process for formulating higher-quality strategies, this should be balanced against the fact that the process will only need to be comprehensively undertaken once every five years. (At present local authorities are required to produce Strategies every three years but in practice many authorities produce new strategies annually)."*

13. The consultation will provide an opportunity for local authorities to submit their views to the Assembly on the potential impacts (including financial ones) of implementing the Report's recommendations.

### National Assembly

14. The on-going cost of the Assembly fulfilling the role advocated for it in the Working Group Report can be met from planned administration costs budgets. However, the proposed supplementary guidance on "housing requirements assessments" and "facilitating a greater private sector role" would need to be commissioned externally to ensure it is finalised at the same time as the main guidance. The estimated cost would be £100k which could be met from the 2001-2002 provision in the "Research Surveys, Evaluations, Publicity, Fees and Charges" BEL.

## Cross-cutting themes

15. The draft terms of this Review were designed to evaluate the Local Housing Strategy process against the Assembly's and local government's strategic responsibilities to promote the economic, social and environmental well being of areas (which requires having due regard to the principles of sustainable development and equal opportunities).

**Housing Strategy Branch**

**Housing Directorate June 2001**