



**North Hertfordshire
District Council**

Housing Strategy

2019 - 2024

FOREWORD



I am very pleased to introduce our latest Housing Strategy for North Hertfordshire, which sets out our housing objectives for the next five years. The Housing Strategy is in fact a suite of documents, also encompassing our Homelessness and Rough Sleeping Strategy and our Tenancy Strategy.

North Hertfordshire is a wonderful place to live, work and visit. However we do continue to face a number of challenges, first and foremost of which is a lack of affordable housing for our local residents. Housing costs have continued to rise over the years meaning that home ownership and, increasingly, access to the private rental market is out of reach for many, particularly younger residents.

Our Housing Strategy sets out how we will work to maximise the supply of genuinely affordable housing which will be delivered in the district through our new Local Plan (currently in the process of being adopted).

And of course, we are not just concerned with numbers and meeting targets. We want to ensure that the affordable housing that is delivered is of the right sort, of a high standard and in the right place to meet local needs.

Maintaining and improving standards of housing in the private sector is also important, particularly as the private rented sector grows in significance. We believe that good quality housing provides the foundation for ensuring the health and wellbeing of our residents.

The lack of affordable housing also impacts on the demand for our homelessness services. This year has seen significant changes in homelessness legislation and the introduction of new and expanded duties on local authorities, which has brought about many changes to our service.

Finally, I would like to thank all of our housing partners and local stakeholders, who play a crucial role in enabling us to meet our housing ambitions.

Councillor Bernard Lovewell
Executive Member for Housing and Environmental Health
North Hertfordshire District Council

March 2019

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1. INTRODUCTION

- 1.1 North Hertfordshire District Council, as the local housing authority, is responsible for working to meet the housing needs of its local community. We are also responsible for overseeing and enforcing housing standards in the district. Our work is wide ranging, encompassing the private (market) and affordable housing sectors and supporting residents from young people setting up home for the first time to the elderly; from those who require mainstream housing to people with extra support needs.
- 1.2 The Council also has very specific responsibilities with regard the prevention and relief of homelessness, and accommodation duties towards certain groups of homeless households.
- 1.3 This Housing Strategy sets out our objectives for the next five years over 2019-2024, the reasons behind these objectives and how we plan to achieve them. The Strategy focuses our work back to the following core, fundamental areas of housing and homelessness:
- maximising the supply of affordable housing
 - improving standards of housing
 - preventing and managing homelessness
- 1.4 We have incorporated our Homelessness and Rough Sleeping Strategy within the Housing Strategy as the two are inextricably linked. Our refreshed Tenancy Strategy is also included at Annex 1.
- 1.5 The environment in which the Council operates is likely to continue to be challenging, shifting and shaped by ongoing financial constraint coupled with a high demand for our core services. This Housing Strategy has to be resilient to change and also adaptable to new opportunities which may arise. We therefore intend to review the specific actions under each priority on an annual basis to ensure that they remain relevant and that work is progressing on track to meet them, including identifying any resource constraints.

The Strategy in context

- 1.6 Our Housing Strategy has been developed within the framework of the Council's other adopted plans and strategies for the district.
- 1.7 The Strategy supports the Council's overall vision for the district, which is to make North Hertfordshire a vibrant place for people to live, work and prosper. More specifically, the Council's Corporate Plan identifies three objectives for 2019/24, to which the Housing Strategy will contribute:

Attractive and thriving – to work with our partners to provide an attractive and safe environment for our residents, where diversity is welcomed and the disadvantaged are supported

Prosper and protect – to promote sustainable growth within and wherever it affects our district to ensure economic and social opportunities exist for our communities, whilst remaining mindful of our cultural and physical heritage

Responsive and efficient – *to ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints*

- 1.8 The Housing Strategy supports planning policy, conforming with and complementing our proposed Local Plan for 2011-2031. It is also consistent with the housing aspirations contained within the North Hertfordshire Partnership's¹ Sustainable Community Strategy 2009–2021.
- 1.9 The Council no longer owns housing stock, so we rely on strong local partnerships with housing providers, third sector partners and statutory bodies to achieve our priorities. Our continuing commitment to nurturing and growing these relationships underpins the whole of this Housing Strategy. Appendix 1 provides a list of our key partners.

A fast changing policy environment

- 1.10 National policy has continued to evolve and change at a fast pace over recent years, bringing with it both challenges and benefits.
- 1.11 Since our last Housing Strategy, welfare reform has continued apace, with a freeze on Housing Benefit levels for private sector tenants and reductions in the overall benefit cap. Universal Credit has been rolling out across the country.
- 1.12 The affordable housing sector has become increasingly deregulated, with local authorities less able to exert influence on housing providers' activities. The sector has also had to adapt to a regime of social rent reductions and (up until very recently) severely curtailed funding of new homes for social rent.
- 1.13 More recently, there appears to have been a sea-change in national housing policy. Significant reforms to the funding of supported housing have been dropped, as have plans to remove Housing Benefit entitlement to under 21s and several measures from the Housing and Planning Act 2016 including mandatory fixed term tenancies are no longer planned for implementation.
- 1.14 Affordable housing has now been recognised at the highest levels of government as playing a key role in building strong communities, underlined by the publication of the recent Green Paper "A new deal for social housing".
- 1.15 Tackling homelessness has risen to the top of the political agenda and the government has pledged to end rough sleeping by 2027 with the publication of its Rough Sleeping Strategy in 2018. The Homelessness Reduction Act 2017 has introduced significant new duties on local authorities to prevent and tackle homelessness, bringing prevention work into the statutory framework and extending assistance to a wider range of people.
- 1.16 There is also a recognition of the increased importance of the private rented sector, which houses growing numbers of families across the country. A range of legislation has been introduced over recent years to professionalise the private rented sector, strengthen consumer protection and tackle 'rogue' landlords.

¹ A partnership bringing together the Council and local representatives from the public, private, voluntary and community sectors.

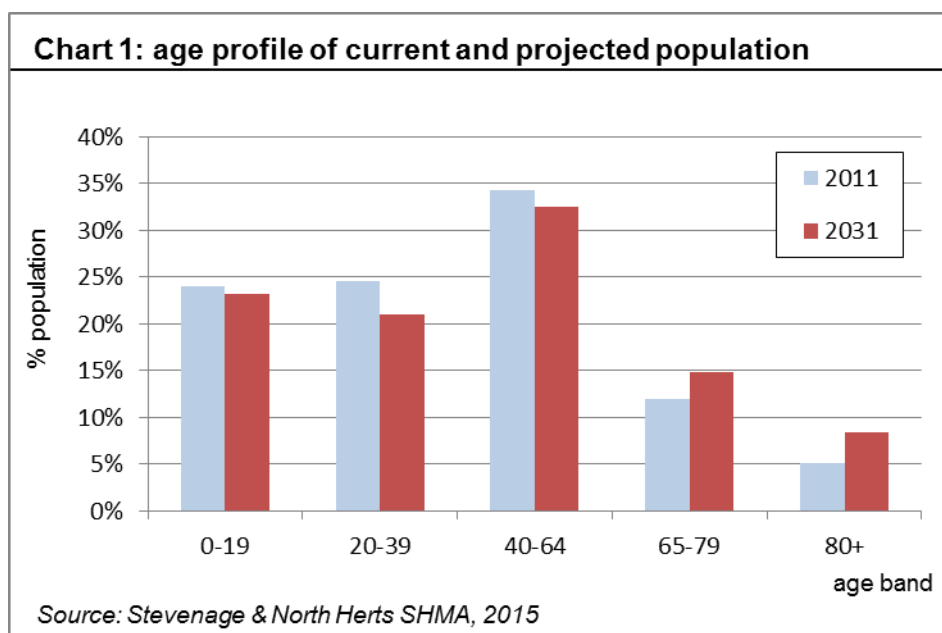
- 1.17 The publication of the Housing White Paper “Fixing our broken housing market” in 2017 signalled a renewed focus on expanding housing supply. A government target of 300,000 new homes a year to be delivered by the mid-2020s was announced in the Budget 2017. Corresponding reforms to the planning system have been introduced predominantly via the Housing and Planning Act 2016.

2. OVERVIEW OF NORTH HERTFORDSHIRE

- 2.1 North Hertfordshire is a predominately rural district located less than 40 miles north of central London. It covers approximately 375 square kilometres of land, making up almost 25% of Hertfordshire’s total land area. The district contains four distinct towns, Baldock, Hitchin, Royston and Letchworth, the world’s first Garden City, as well as about 40 villages and hamlets.
- 2.2 Ours is a relatively affluent district², with a lower than average unemployment rate and higher than average earnings. North Herts is well served with good transport links to London and Cambridge and there are associated high levels of commuting to these areas.

Demographics

- 2.3 North Hertfordshire has a population of 133,300³, with over 70% of its residents living in one of the four main settlements. Just over 10% of the district’s population is of a black and minority ethnic group, slightly lower than the proportion in Herts (13%) and England as a whole (14%)⁴.
- 2.4 The population is projected to grow over the next decade to reach over 153,000 residents by 2031⁵. This is due in part to the district’s attractiveness as a place to live but also continuing improvements in life expectancy. Indeed, over half of the projected population growth is accounted for by an increase in residents aged 65 and over, with the largest growth likely to be amongst those aged 80 and over.



² North Herts ranks amongst the most affluent 20% of local authorities in England according to the Department for Communities and Local Government’s (as was) English Indices of Deprivation 2015.

³ Office for National Statistics mid-year population estimates for 2017.

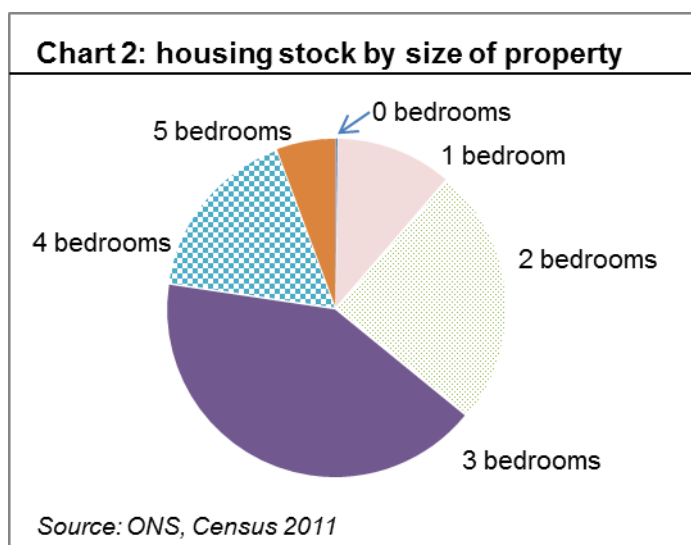
⁴ ONS 2011 Census.

⁵ ORS (2015) *Stevenage and North Hertfordshire Strategic Housing Market Assessment Update 2015*

- 2.5 By 2031, as chart 1 illustrates, 23% of the district’s population is projected to be aged 65 or over, with this age group requiring differing degrees of support in terms of health and social care.

Housing stock

- 2.6 There are just over 57,000 homes⁶ in North Hertfordshire. One quarter of homes are detached properties which is slightly higher than the county average whilst flats (purpose-built or converted) make up 18% of the housing stock, slightly lower than the county average⁷. Roughly two-thirds of properties have three or more bedrooms⁸, see chart 2.



- 2.7 There are around 100 known Houses in Multiple Occupation (HMOs) in the district, which the Council has licensing responsibilities for. There are also a small number of park homes in the district which offer an alternative to the main housing stock.
- 2.8 Two-thirds of households are owner-occupiers (whether owning outright or with a mortgage) whilst one-fifth live in affordable housing and a further 13% in the private rented sector⁹. The size of the private rented sector is noticeably smaller than the national average (17%) despite significant growth between the 2001 and 2011 Censuses. There are no more recent data available on the size of the private rented sector at local authority level, however national data show that the sector has grown steadily since 2011 and now represents 20% of all dwellings in England, up from 17.9% in 2011¹⁰.

⁶ Ministry of Housing, Communities and Local Government live tables on housing.

⁷ Ibid.

⁸ ONS 2011 Census.

⁹ Ibid.

¹⁰ MHCLG (2018) *Dwelling stock estimates: 2017, England*.

- 2.9 The district's housing stock is in generally good condition with no obviously large concentrations of poorly performing dwellings in the district¹¹. Over 70% of homes in the district were built after the second world war with less than 14% built pre-1919¹². Dwellings in the private rented sector are more likely to have been built pre-1919 however (making up 28% of the private rented stock), which accounts in large part for the poorer conditions likely to be found in this sector¹³.
- 2.10 In terms of energy performance, a relatively small proportion of properties in the district, 6%, are in the lowest two performing energy bands, F and G¹⁴.

Health and housing

- 2.11 Housing plays an important role in residents' health and wellbeing and this is particularly so for older residents. Poor quality housing is associated with increased risk of cardiovascular diseases, respiratory diseases and depression and anxiety¹⁵.
- 2.12 Although the district's housing stock is in generally good condition, a small proportion of residents in the district are believed to be in fuel poverty and are unable to afford to heat their homes sufficiently – latest estimates suggest that 8.5% of households in North Hertfordshire are fuel poor¹⁶. This is a comparable figure to Hertfordshire as a whole and lower than the national average.
- 2.13 Latest figures for excess winter deaths¹⁷ estimate that in 2015/16 there were 5% more deaths in the winter months compared with non-winter months in North Herts. However, as chart 3 illustrates, excess winter death rates tend to fluctuate widely over time with a peak of almost 50% more deaths in the district in the winter of 2014/15 compared with non-winter months for that year. North Herts rates have generally been above regional and national averages. The reason for this is unclear, and this will be a focus for further investigation.

¹¹ Cambridge Centre for Housing & Planning Research (2015) *Private sector housing in North Herts: a secondary data analysis*

¹² MHA (2007) *Private Sector Housing Stock Condition Survey 2006/7*.

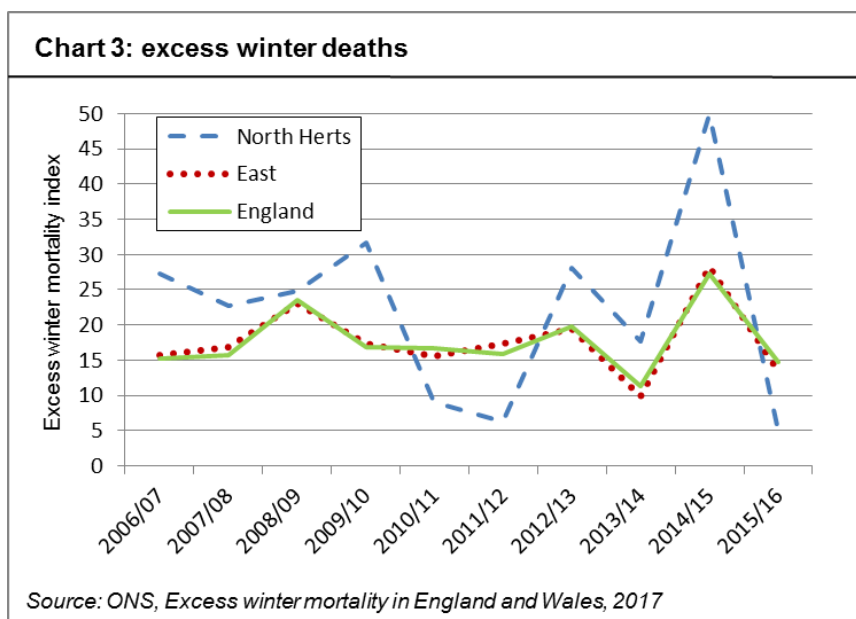
¹³ Ibid.

¹⁴ Cambridge Centre for Housing & Planning Research, 2015.

¹⁵ Parliamentary Office of Science & Technology (2011) *Housing and Health*

¹⁶ Department for Business, Energy & Industrial Strategy, *Sub-regional fuel poverty 2018*.

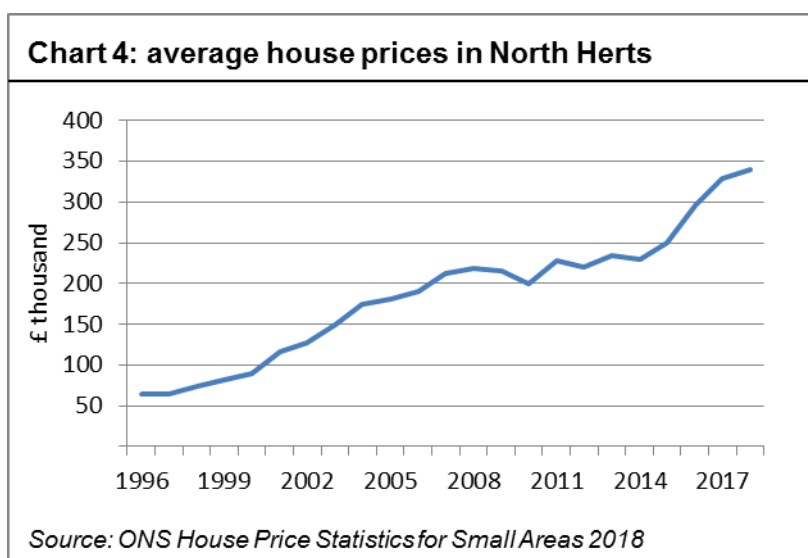
¹⁷ ONS (2017) *Excess winter mortality in England and Wales*.



2.14 Measures to improve the energy efficiency of homes, as well as the installation of aids and adaptations are an important tool to help improve health outcomes of our residents.

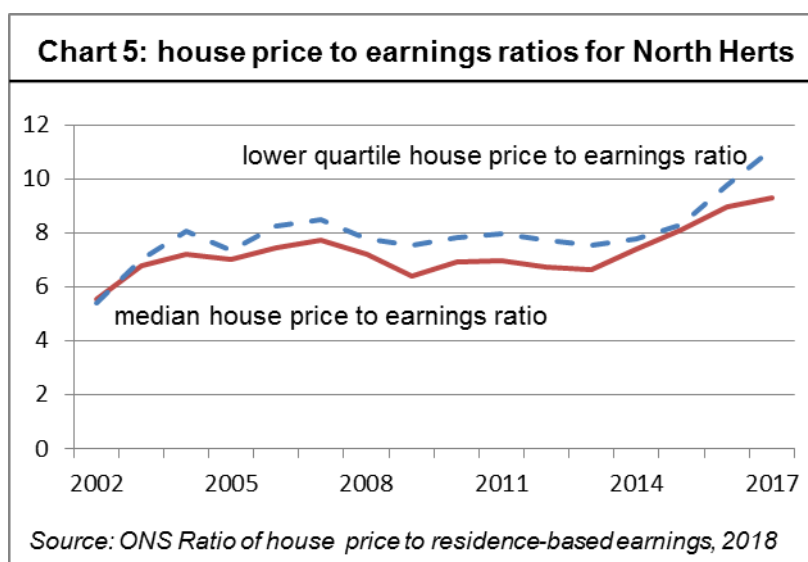
Affordability

2.15 House prices in the district are well above regional and national averages, although slightly below the average for Hertfordshire (which is skewed by particularly high prices in St Albans). For the year ending March 2018, the average price of a home in North Herts was £340,000 compared to a national average of £235,000¹⁸. In the past four years, the average price of a home in the district has increased by 48%, see chart 4 below.



¹⁸ ONS (2018) House price statistics for small areas: year ending March 2018. Average for East region was £280,000 whilst the average for Hertfordshire was £385,000.

- 2.16 Earnings have not kept up with house price growth and the ratio of average house prices in the district to average earnings has increased such that homes in the district now cost on average over nine times average earnings¹⁹. This is the highest it has reached in the official time series (which goes back to 2002).
- 2.17 The situation at the lower end of the market is even more acute, with the ratio of lower quartile house prices in the district to lower quartile earnings reaching 11.1 in 2017, again the highest it has reached in the official time series.



- 2.18 In common with many areas across the country, worsening affordability in the home ownership sector has led to more households seeking to rent in the private or affordable sectors. The private rented sector in North Herts is relatively small and unable to absorb large increases in demand. Consequently rents in the private sector have generally increased year on year for most property types in the district²⁰.
- 2.19 Table 1 illustrates current average private sector rents in the district and compares them with the Local Housing Allowance (Housing Benefit) available for tenants in privately rented accommodation.

¹⁹ ONS (2018) *Ratio of house price to residence-based earnings*.

²⁰ Valuation Office Agency (2018) *private rental market statistics*.

Table 1: Average monthly private sector rents in North Herts, September 2018

	Flat	House	Bungalow	LHA rate*
Studio/room	£554	£450	-	£312.17 (a)
1 bed	£725	£742	£750	£562.51
2 bed	£879	£976	£977	£693.46
3 bed	£875	£1173	£1750	£857.18
4 bed	£950	£1524	-	£1,097.81

Source: NHDC analysis of properties advertised on *rightmove.co.uk*

* For the Stevenage and North Herts broad rental market area.

(a) Shared accommodation rate – Housing Benefit for most single people aged under 35 is restricted to this rate regardless of whether they are in shared accommodation or not.

- 2.20 Over the years, and in common with areas across the country, LHA rates have not kept up with private sector rents in the district and there is now a significant shortfall between Housing Benefit payable and asking rents²¹. This has made the private rented sector particularly unaffordable for households who rely in whole, or heavily, on benefits.

Affordable housing

- 2.21 The Council no longer owns any affordable housing, having undertaken a large scale voluntary transfer of its stock to settle (formerly North Hertfordshire Homes) in 2003. settle is the largest provider of affordable housing in the district, owning almost 8,000 properties in North Herts, followed by Howard Cottage Housing Association which owns around 1,200 properties²². These providers are formally known as private registered providers of social housing (or RPs) and they are primarily housing associations. RPs are registered with and regulated by the Regulator of Social Housing. Appendix 2 provides details of RPs operating in the district.

²¹ Lister, S. (2016) *Mind the Gap: The Growing Shortfall Between Private Rents and Help with Housing Costs*, CIH. See also Rugg, J. & Rhodes, R. (2018) *The Evolving Private Rented Sector: Its Contribution and Potential*, University of York.

²² Homes and Communities Agency (2018) *Statistical Data Return 2017-2018*.

- 2.22 Affordable housing completions in the district for the past five years are set out in table 2 below.

Table 2: Affordable housing completions in North Herts by tenure

	Social rent	Affordable rent	Intermediate	Total
2013/14	28	8	22	58
2014/15	19	15	16	50
2015/16	5	17	15	37
2016/17	10	45	39	94
2017/18	0	37	41	78

Source: NHDC data

- 2.23 The Council, as one-half of the North Hertfordshire Housing Partnership, does however retain responsibility for managing and administering the waiting list for affordable housing (the Common Housing Register) and the choice based lettings scheme through which homes are allocated. The Partnership's Common Housing Allocation Scheme²³ sets out who can apply for affordable housing in the district and how affordable housing is allocated.
- 2.24 There is a constant level of high demand for affordable housing in the district. There are currently just over 2,100 households waiting for affordable housing, the vast majority for general needs accommodation. Table 3 provides waiting list figures, broken down by size of property required and preference (priority) band. Households are awarded a preference band according to their housing needs, with Band A awarded for those with the greatest housing needs. Appendix 3 provides more information about preference bands.
- 2.25 Whilst just over half of the general needs affordable housing stock has three or more bedrooms²⁴, the vast majority of demand (87%) is for smaller property sizes, as table 3 illustrates.

Table 3: Live applications by size of property required

	1 bed	2 beds	3 beds	4+ beds	Total
Band A	139	18	0	3	160
Band B	111	278	121	54	564
Band C	928	388	76	12	1,404
Total	1,178	684	197	69	2,128

Source: NHDC data as at 21/11/18

²³ <https://www.north-herts.gov.uk/home/housing/common-housing-register>.

²⁴ Homes and Communities Agency, 2017.

2.26 Table 4 illustrates, for those households receiving an affordable housing let in 2017/18, the average waiting time on the Common Housing Register.

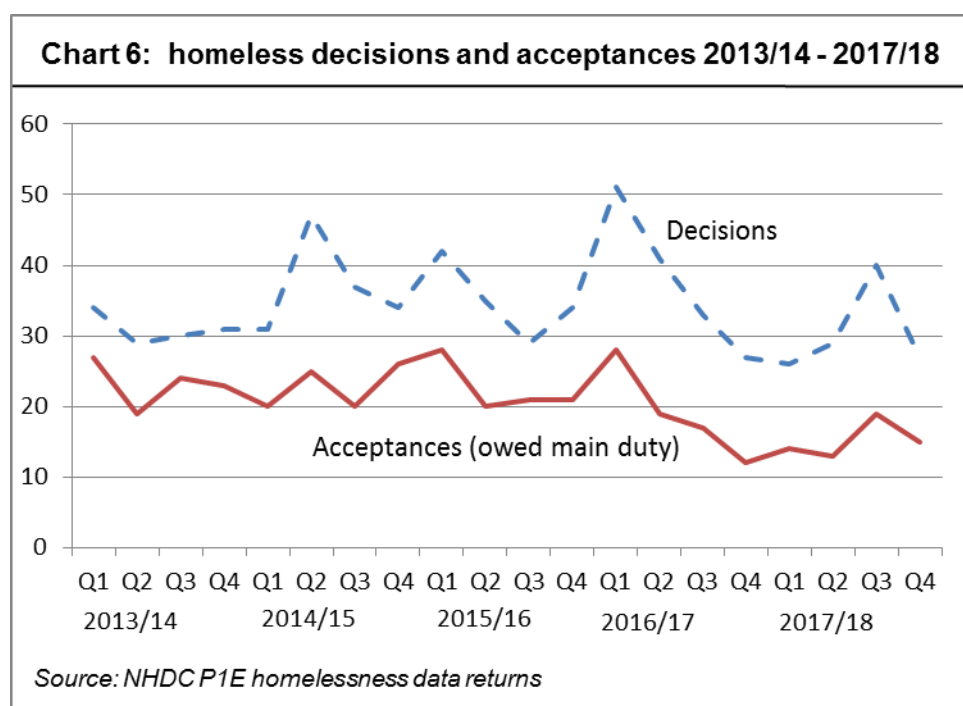
Table 4: Average waiting times in months, 2017/18 lets (general needs)

	Band A	Band B	Band C	All bands
1 bedroom flat	16	14	45	31
2 bedroom flat	-	18	59	22
2 bedroom house	3	32	-	31
3 bedroom house	-	21	-	21

(-) indicates that there were no lets of property in this grouping.

Homelessness

2.27 On average over the past five years, the Council has received homeless applications²⁵ from around 140 households a year, before the new homelessness duties under the Homelessness Reduction Act 2017 came into force²⁶. As chart 6 illustrates, the underlying trend in homelessness decisions has been fairly steady between seasonal fluctuations.



2.28 The Council accepted a duty to secure accommodation²⁷ (commonly known as the main housing duty) for around 50-60% of households over this time period; on average 80 households a year. The vast majority of these households will have been families with dependent children. Most recently, the number of main duty acceptances has been significantly lower (61

²⁵ On which the Council has made a decision under homelessness legislation.

²⁶ 3rd April 2018.

²⁷ For those households which are found to be eligible for assistance, unintentionally homeless and in priority need.

acceptances in 2017/18) since the peaks of 2013/14 – 2015/2016 (of around 90 acceptances).

- 2.29 By this measure, North Herts has one of the lowest incidences of homelessness of Hertfordshire authorities, with just over 1 household per 1,000 accepted as being owed the main housing duty. This compares with a national figure of 2.41 for England.
- 2.30 The Council also undertakes work - typically in partnership with local agencies - to prevent homelessness, helping households to remain in their homes or to find alternative accommodation. On average, the Council has prevented homelessness for over 180 households a year over the past five years (up to and including 2017/18). Table 5 below illustrates.

Table 5: Homelessness prevention activity

	2013/14	2014/15	2015/16	2016/17	2017/18
Households able to remain in existing home	110	104	56	79	85
Households assisted to find alternative accommodation	136	132	78	84	39

Source: NHDC P1E homelessness data returns

- 2.31 This prevention work has been brought under a statutory framework by the Homelessness Reduction Act 2017 and the Council has new duties to provide advice and assistance to all eligible households who are homeless or threatened with homelessness, regardless of priority need status. These are in addition to the existing accommodation duties for those owed the main housing duty.

3. MAXIMISING THE SUPPLY OF AFFORDABLE HOUSING

Key issues

- 3.1 Considerable housing growth is required in the district over the coming years in order to meet projected rates of population increase. This comes at a time when continuing high demand for housing in the district has led to worsening affordability issues for many home seekers.
- 3.2 Much of this housing growth will come in the private (market) sector, where the Council's remit is largely related to its planning responsibilities and enforcement of standards. However more affordable housing is also needed and here, the Council has an important role to play in ensuring both that the delivery of affordable housing is maximised *and* that it meets local housing needs.
- 3.3 Furthermore, we must also ensure that the district's *existing* supply of homes is used as effectively as possible – for example, by working to bring empty homes back into use and ensuring that the stock of affordable housing is used as efficiently as possible.

Meeting local housing need

- 3.4 There is a significant requirement for new homes – both private and affordable - in the district to meet identified local housing needs, as evidenced in the Stevenage and North Hertfordshire Strategic Housing Market Assessment (SHMA) documents²⁸, Neighbourhood Plans and any settlement or parish level surveys. The proposed Local Plan²⁹ for the district (which at the time of writing is undergoing examination) sets out a target to deliver at least 14,000 new homes over 2011-2031 in order to meet the identified needs of the district.
- 3.5 A significant proportion of this need is for affordable housing for those who do not have the means to access increasingly unaffordable market housing. The SHMA suggests that one-third of newly forming households in the district for example may require assistance with their housing. In order to meet the need for affordable housing, the Local Plan proposes to adopt the following targets for the delivery of affordable housing on new development sites:

Size of site (gross dwellings)	Target % of dwellings to be affordable
11-14 dwellings	25%
15-24 dwellings	35%
25 or more dwellings	40%

²⁸ ORS (2015) *Stevenage and North Hertfordshire Strategic Housing Market Assessment Update 2015*; ORS (2016) *SHMA Update Volume 2, August 2016* and ORS (2016) *Updating the Overall Housing Need*.

²⁹ Proposed Submission Local Plan 2011-2031 sets out targets for new homes, employment and retail development.

Affordable housing

- 3.6 Affordable housing refers to a range of housing products, from social rent (usually set at around 50% of market rents) to a variety of low-cost home ownership products such as shared ownership and equity loans. The Local Plan, based on findings from the SHMA, proposes a tenure split of 65% rented tenures (social and affordable rent) and 35% other 'intermediate' tenures.
- 3.7 In addition to affordable housing delivery from private (section 106) sites, the Council also works with registered providers, where funding is available, to bring forward other affordable housing sites on an ad hoc basis, including in rural areas where affordability issues can be particularly problematic.
- 3.8 The definition of affordable housing for planning purposes has recently been revised by the National Planning Policy Framework 2018 (see Appendix 4). This definition now includes the recently launched Starter Homes product, which can be offered for sale at up to 80% of open market value, and discounted market sales housing.
- 3.9 Given the strength of local house prices, it is imperative that we ensure that affordable housing products (especially those that are linked to open market values) remain genuinely affordable to local people whilst recognising that registered providers' business models often require a greater variety of products to be offered.
- 3.10 The Council's newly refreshed Tenancy Strategy (see Annex 1) provides guidelines to registered providers operating in the district when determining tenancy matters, including the letting of properties at affordable rent.

Housing for older people and vulnerable households

- 3.11 The number and proportion of older residents in North Hertfordshire is forecast to increase substantially over the period up to 2031³⁰. The number of people aged 65 or over is predicted to increase by 13,000 over 2011-2031, representing over half of the total increase in the district's population over this period. The largest growth is in the group of residents aged 85 and over, which is forecast to double in numbers over the period.
- 3.12 Many older people will carry on living healthy lives long into their old age, and will be able to live in their own homes with a minimum of support. However, others may require specialist (supported) housing or more formal support to remain living independently.
- 3.13 Specialist, or supported, housing may also be required by people of all ages who have physical, mental health or learning difficulties or who have alcohol or substance misuse issues or who are fleeing domestic violence. Supported housing is also available to young people leaving care and setting up new tenancies.
- 3.14 Whilst the provision of supported housing is primarily a Hertfordshire County Council function, the Council works with the County Council and registered

³⁰ ORS, Strategic Housing Market Assessments.

providers to enable the provision of supported housing schemes in the district to ensure that needs are met.

Under-occupation

- 3.15 It is estimated that just over half of the district's affordable homes are under-occupied, mostly by couples (both of pensionable age and younger) who no longer have children living with them³¹. Households under-occupying an affordable property are currently given high priority on the Common Housing Register, however the lack of attractive alternative housing options and other barriers are limiting the success of this measure.
- 3.16 Under-occupation is clearly not an efficient use of affordable homes in our district. However, the mis-match between supply and demand of affordable homes (with a much greater supply of three bedroom properties but a greater demand for smaller properties) means that reducing under-occupation will put even more pressure on the district's stock of smaller properties.

Self build

- 3.17 Self-build provides another route into home ownership. The Self-Build and Custom Housebuilding Act 2015 places a duty on local authorities in England to keep and have regard to a register of people who are interested in acquiring serviced plots for self-build or custom build projects in their area. This register will help inform the Council of the level of demand for such plots in North Herts.
- 3.18 There are currently 195 households³² on the Council's self-build register.
- 3.19 The proposed Local Plan helps to address this demand by requiring 56 plots to be reserved for self-builders on specified Strategic Housing Sites. Where appropriate, local demand will be considered on a site-by-site basis, having regard to the Council's self-build register.

Empty homes

- 3.20 Homes can become empty for a number of reasons, the commonest being whilst they are being sold or re-let, although in such situations, they will normally only be empty for a short time. There may also be cases where properties may be empty for significantly longer, usually until the underlying reasons for the property being empty are resolved i.e. probate is granted, the property is renovated following fire or a flood etc. However, there are also instances where properties are left vacant for no obvious good reason. Not only is this an unacceptable waste of a resource when demand for homes is so high, it can also have additional adverse consequences by affecting the quality of life of neighbouring residents, as well as indirectly facilitating anti-social behaviour in the locality.
- 3.21 North Hertfordshire does not have a major problem with empty homes but there are a relatively small number of known properties that have been empty for a long period of time. There are around 100 long term empty properties on the Council's empty property database.

³¹ Anna Clarke et al (2011) *Under-occupation in North Hertfordshire*.

³² As at 27th November 2018.

Priorities

Maximise delivery of affordable housing to meet local needs

3.22 There is continuing high demand for affordable housing in North Herts due to affordability issues in the private sector and the small size of our private rented sector. We will work to ensure that new affordable housing delivery is maximised *and* that it is of the size, type and tenure and in the right location to meet local housing needs:

- we will negotiate with developers to deliver maximum viable affordable housing on new build sites that meets local needs;
- we will review and update our guidance on planning obligations (the Planning Obligations Supplementary Planning Document), which will include how affordable housing is secured and how viability is dealt with during the planning application process;
- we will support registered providers' efforts, such as accessing funding streams, to deliver new affordable housing.

Genuinely affordable homes

3.23 The Council is already aware that intermediate affordable housing products such as shared ownership are becoming less affordable for local people, especially in rural areas where open market prices are generally highest³³. This, coupled with the new wider definition of affordable housing for planning purposes, means that we need to undertake new research to determine which affordable housing products are genuinely affordable to local people across the district and more broadly, to review housing needs in North Herts.

3.24 We will use the results of this research to update our Tenancy Strategy as appropriate to ensure it reflects current needs. We will also review how people are signposted to affordable housing products and if necessary, explore better ways of doing this, working with local registered providers where possible.

3.25 In order to ensure the vitality and sustainability of our rural areas, young people need to be able to remain living in their local areas if they wish to. We will continue to work with the Community Development Action, parish councils and registered providers to identify housing needs in rural areas and bring forward new housing as appropriate through a programme of rural housing needs surveys.

³³ Department for Environment, Food & Rural Affairs (2018) *Rural housing availability and affordability*.

Providing housing for older people and those with support needs

- 3.26 The proposed Local Plan includes provision for self-contained accommodation with modest levels of care within the overall housing delivery figures. It also sets out requirements for the provision of sheltered and supported housing (and specifically so on larger development sites) and requirements for accessible and adaptable housing. We will support the provision of such age appropriate accommodation built to good design in new developments.
- 3.27 We will also continue to work with key stakeholders, including Hertfordshire County Council and local registered providers, to assess the accommodation needs of residents who require greater levels of care and support and to ensure that their needs are met.

Reducing empty homes

- 3.28 We will develop a process for tackling empty residential properties and set a target for bringing properties back into use as part of the annual service planning process.

Ensuring affordable housing is allocated to those in most need

- 3.29 Given the continual pressure on affordable housing in the district, it is important to ensure that our allocations policy remains pertinent and a fair and efficient means of ensuring that affordable housing is allocated to local households in most need. We will review our policy to ensure that it continues to do so.
- 3.30 We are also keen to work with local registered providers to consider how local affordable housing can be used as efficiently as possible, for example issues around under-occupation.

4. IMPROVING STANDARDS OF HOUSING

Key issues

- 4.1 Much of the focus on housing in recent years has understandably been on increasing the supply of housing because demand so far exceeds supply. However, in terms of the existing housing stock, there are a range of issues that the Council has duties to consider and powers to intervene in.

Reviewing housing conditions

- 4.2 The Council has a duty to review housing conditions in the district. The last full survey was undertaken in 2007. A data analysis exercise drawing on a variety of different datasets was undertaken in 2015³⁴ as this was considered to be the most cost effective method of providing up to date information on housing conditions.
- 4.3 The Council has a reasonable understanding of the nature of the stock and key issues, which can help inform where it is appropriate for the Council to target its resources and intervene for the benefit of residents in the district. There are no particular areas in the district where there are clusters of poor housing, rather the issue of poor conditions tends to be individual properties that need attention.
- 4.4 The quality of housing is an important factor in any consideration of public health issues in an area; bad housing conditions constitute a risk to the health of the occupants of such housing and contribute to health inequality³⁵. For example, cold housing is believed to be the main reason for 'excess winter deaths' that occur each year between December and March.

Disrepair and hazards in housing

- 4.5 The Housing Health and Safety Rating System is the established process for assessing hazards in homes that could result in injury or affect the health of the occupants. Identifiable hazards are classified as Category 1 or Category 2 hazards. Local authorities are under a duty to take action in respect of the more serious Category 1 hazards and may also deal with Category 2 hazards. The Council receives around 300 housing related complaints a year about a variety of issues.
- 4.6 The majority of landlords are responsible and maintain their properties well, addressing any defects that arise from time to time. However, the Government has become very concerned about evidence of a minority of landlords who wilfully allow poor and often dangerous housing conditions to continue. These landlords are commonly termed 'rogue landlords', although a better term might be criminal landlords. The Government has given a range of new powers to local authorities to facilitate more effective and rapid action in such situations.

³⁴ Cambridge Centre for Housing & Planning Research (2015) *Private sector housing in North Herts: a secondary data analysis*.

³⁵ Report of the Marmot Review (2010) *Fair Society, Healthy Lives*.

Houses in multiple occupations (HMOs)

- 4.7 HMOs are an important part of the housing stock. There are around 100 known HMOs in the district but it is likely that the actual number is higher. Some of this accommodation is of a very high standard but there are potential risks due to the high density and sharing of facilities that can lead to serious problems if such properties are not adequately managed. Therefore, in 2004 the Government required that HMOs of three storeys or more and with five or more occupiers should be licensed with the local authority.
- 4.8 North Hertfordshire has had around 30 such licensed HMOs. From October 2018, the Government removed the storey requirement which means that any HMO with five or more people must be licensed. At the time of writing, this legislative change had only recently been implemented so it is not known how many additional properties will require licensing.

Energy efficiency

- 4.9 Poor energy efficiency (a specific focus of the 2015 analysis into private sector housing in the district) is linked to excess winter deaths, rates of which appear to be higher than average in North Hertfordshire. As well as its public health implications, poor energy efficiency also leads to increased carbon dioxide emissions. Nationally, in 2017, the residential sector accounted for 17% of all carbon dioxide emissions³⁶. Local councils are also under a duty to prepare biennial energy conservation reports.
- 4.10 The Council has been collaborating with Hertfordshire County Council and the other district and borough councils in Hertfordshire through the Herts Warmer Homes project to access Energy Company Obligation (ECO) funding to deliver energy efficiency measures for the benefit of residents.

Adapting properties with regard to the needs of occupiers

- 4.11 As well as the basic issues of homes needing to be in good repair, free from hazards and capable of being at a reasonable temperature, they also need to reflect the specific needs of their occupiers. Grants for adapting homes for people with disabilities are mandatory, subject to a means test. The Council has for many years supported this duty by making adequate funding available. Since 2016/17, central government funding for disabled facilities grants was increased significantly meaning that the Council has not been required to contribute to this budget since.
- 4.12 The Council entered into a partnership with the County Council and three other district and borough councils to establish the Hertfordshire Home Improvement Agency from 1 October 2017. This partnership aims to deliver more efficient and enhanced services to residents.

³⁶ BEIS (2017) *UK Greenhouse gas emissions, provisional figures*.

Park homes

- 4.13 Park homes are a small but important alternative part of the housing sector. All park home sites are required to be licensed; a licence can only be obtained once planning permission has been given for a park home site. The Council has sought to promote good standards on park home sites over the years. All sites are periodically inspected and the Council adopted new model standards in December 2013.

Priorities

Dealing with disrepair, Category 1 hazards and criminal landlords

- 4.14 We will make use of the full range of enforcement tools including rent repayment orders and civil penalties. Any enforcement action will be taken in line with the Council's corporate enforcement policy.
- 4.15 We will vigorously tackle harassment and illegal eviction.
- 4.16 We will support owner occupiers to undertake basic repairs and improvements by making available home repair assistance grant (HRAG) subject to specified eligibility criteria and budget being available.

Managing houses in multiple occupation

- 4.17 We will seek to ensure that all HMOs that require licensing are licensed.
- 4.18 We will revise and update the Council's HMO policy periodically and use this to ensure that good standards are achieved in all licensed HMOs.

Energy efficiency

- 4.19 We will seek to access funding to enable owners and occupiers to achieve reasonable standards of thermal efficiency and reduce fuel poverty.
- 4.20 We will make use of HRAG funding to support owner occupiers to undertake basic energy efficiency improvements where ECO funding is not available.
- 4.21 We will investigate the underlying causes behind the higher excess winter death rates in North Hertfordshire and consider what steps can be taken to improve the situation.

Adapting properties with regard to the needs of occupiers

- 4.22 The Council will improve the information that is available on its website to outline options for obtaining assistance towards smaller or urgent adjustments to enable people to remain in their home.

5. PREVENTING AND MANAGING HOMELESSNESS

Key issues

- 5.1 The Council has a duty to review homelessness in the district and to formulate a homelessness strategy based on the results of that review. The government's Rough Sleeping Strategy published in August 2018 further introduces the requirement that all local authorities explicitly consider how to tackle the problem of rough sleeping, producing homelessness and rough sleeping strategies by winter 2019.
- 5.2 This section of the Housing Strategy is our **Homelessness and Rough Sleeping Strategy for 2019 -2024**. It sets out a strategy³⁷ for:
- preventing homelessness in North Hertfordshire;
 - securing that sufficient accommodation is available for local homeless households; and
 - securing support for local households who are or may become homeless.
- 5.3 Our Homelessness and Rough Sleeping Strategy complements the Hertfordshire Health and Wellbeing Strategy 2016-2020 which includes as one of its objectives, tackling homelessness and its underlying causes.
- 5.4 A review of homelessness in North Hertfordshire was carried out in December 2018 and is published separately. The review provides detailed information about current levels of homelessness in the district, the causes of homelessness and those most at risk from homelessness, likely future challenges and the resources, support and accommodation available to support the prevention and management of homelessness.

Lack of affordable accommodation

- 5.5 Problems around the affordability of housing in the district are detailed in our Housing Strategy and are repeated in the findings of the homelessness review. High market rents, the freezing of Local Housing Allowance levels at 2016 rates and continued high demand for affordable housing make it difficult for local households on low incomes to solve their own housing difficulties.
- 5.6 Loss of private rented accommodation continues to be one of the main reasons for homelessness in the district, mainly because landlords are seeking to sell the property or to re-let it. Table 6 sets out numbers of approaches to the Council for advice and assistance by the most common reasons for homelessness, and also presents these as a percentage of total approaches.

³⁷ As specified under section 3(1) of the Homelessness Act 2002.

Table 6: Approaches to NHDC: most common reasons for homelessness ⁽¹⁾

	2016/17	2017/18	2018/19*
<i>Total approaches for housing advice and homelessness assistance</i>	945	1,101	871
Parents/family no longer willing to accommodate	183 (31%)	117 (30%)	123 (21%)
Loss of private rented sector accommodation (a)	115 (19%)	67 (17%)	79 (13%)
Relationship breakdown (non-violent)	71 (12%)	41 (11%)	90 (15%)
Relationship breakdown (violent)	46 (8%)	52 (13%)	66 (11%) (b)

(1) reasons for homelessness are not recorded for all cases, for example where general housing advice only is provided. Percentages are of known totals.

* Data for first two quarters only.

(a) termination of assured shorthold tenancy.

(b) now recorded as domestic abuse.

- 5.7 The homelessness review reports that households on low incomes are struggling to maintain tenancies in the private rented sector due not just to high rent levels, but also due to benefit sanctions, delays or welfare cuts. Households with benefit difficulties often have wider debt issues, with unaffordable levels of debt repayment, which compounds their inability to afford rent on their homes and puts them at risk of repeat homelessness.
- 5.8 Poverty and financial pressures were also felt to contribute to family and relationship breakdown and domestic abuse which are also important reasons behind homelessness, as table 6 illustrates.
- 5.9 The continued roll out of Universal Credit (which came into effect for new claims in North Hertfordshire from October 2018) is likely to be a significant risk factor for future levels of homelessness in the district. Landlords continue to be risk averse to renting to those in receipt of benefit and there is currently significant mistrust around the administration of Universal Credit in particular. The homelessness review highlights that North Hertfordshire is a “landlords’ market” with landlords able to select the tenants they prefer, which generally will be those in steady employment with a good credit and tenant history.

Young people

- 5.10 Over 40% of people approaching the Council for advice and assistance are aged under 35³⁸. A significant minority – 15% - of people approaching the Council are aged 18-24.
- 5.11 In areas such as North Hertfordshire, where affordable housing is scarce, young people are having to remain living in the family home for longer, which can be a source of tension and conflict, as well as overcrowding. Half of 18-24 year olds say that they are being made homeless because family are no

³⁸ Age of main applicant, for the first half of 2018/19. These figures are for individual households, not cases, and thus take account of repeat approaches.

longer able or willing to house them, and just under half of these applicants have dependent children.

- 5.12 Accommodation options for young people are even more limited, with most single people aged under 35 only entitled to sufficient housing benefit to cover the cost of a privately rented room in shared accommodation. Table 1 illustrates the extent of the divergence between the shared accommodation rate and current private rents for rooms in shared properties.
- 5.13 Future uncertainty around benefit entitlement for young people, a limited supply of shared accommodation and private landlords' continuing reluctance to rent to young people, especially those in receipt of benefit, mean that affordable housing options are likely to continue to remain extremely limited for this age group.

Single homeless people

- 5.14 Over half of households who contact the Council for advice or assistance are single people or childless couples³⁹. In the first half of 2018/19, this group made up 60% of total approaches and 56% of cases where a prevention or relief duty was commenced.
- 5.15 The homelessness review reports that single homeless people are found to be increasingly presenting with multiple support needs, including mental health issues and drug and alcohol addictions. Despite having complex needs, many of these single applicants will not meet the definition of vulnerability required to have a priority need⁴⁰, and therefore to be owed an accommodation (main housing) duty by the Council. Figures on homelessness decisions show that over the past five years, up to and including 2017/18, the number of (single) households who were deemed to be homeless but not in priority need has increased fourfold.
- 5.16 Accommodation options within the district for single homeless households are currently limited and particularly so for those with complex needs. There is one homeless hostel in the district, but this is for male clients only and accommodation is dormitory style, which imposes restrictions on the types of clients with complex needs that can be accepted. Space in the building is also limited, meaning that it is not possible to provide a full suite of on-site support. There are also a few emergency units for young people in the district, which are limited to short-term stays. The Council can make referrals to a modern, purpose-built hostel across the district border, in Stevenage, but vacancies are not always immediately available.

Rough sleeping

- 5.17 The Government has pledged to end rough sleeping for good by 2027. Levels of rough sleeping have historically been very low in North Herts, as measured by official rough sleeping counts. The latest count for 2018 recorded ten rough sleepers in the district. However, these counts are widely

³⁹ These are commonly grouped together and referred to as 'single' applicants in homelessness parlance.

⁴⁰ Definition and guidance on determining priority need is set out in homelessness legislation, associated regulations and the Code of Guidance for Local Authorities 2018.

believed to underestimate the true picture, providing only a single night snapshot of the true picture.

- 5.18 Rough sleeping has visibly increased in the district in recent years, particularly in Hitchin town centre, with some associated problems with anti-social behaviour. A joint review with the Hertfordshire Constabulary and Stevenage Haven in 2017 identified 13 individuals sleeping rough in the district.
- 5.19 The ongoing effects of welfare reform and the continuing scarcity of affordable housing mean that rough sleeping is likely to remain a district wide challenge for the foreseeable future.

The impact of the Homelessness Reduction Act

- 5.20 The Homelessness Reduction Act has introduced significant new duties on the Council to assist all eligible applicants who are homeless or threatened with homelessness, a much broader group than previously. (It is important to note however that these new duties do not require the Council to actually secure accommodation for applicants; the duty to secure accommodation remains only for those in priority need).
- 5.21 Early analysis of caseload data suggests that caseloads are significantly higher for April to September 2018, following enactment of the Act, compared with the same periods in the previous three years. Further analysis will be required to also review the impact of the new duty on public bodies to refer people they believe may be homeless or threatened with homelessness to a housing authority of their choice. This duty came into effect on 1st October 2018.
- 5.22 Furthermore, initial indications suggest that slightly more households are approaching the Council when already homeless, compared to those who are threatened with homelessness. Of 280 assessments of applicants' circumstances and needs that the Council carried out over April - September 2018, 131 were already homeless compared to 113 who were threatened with homelessness.

Priorities

Prevention

- 5.23 Over the years, the Council has developed a range of prevention measures which we believe are best matched to helping households facing homelessness in North Hertfordshire. Much of this activity is carried out in partnership with local agencies, and this is detailed in our homelessness review. It is clear that, given the continuing challenges detailed in the previous section, this important work needs to continue and to be built upon.
- 5.24 The Council has always recognised the importance of prevention work in the provision of our homelessness services. However, the Homelessness Reduction Act has placed new requirements on us and required new ways of working which we will need to continue to develop and fine tune. We propose to undertake a detailed review of the Act's impact on our homelessness

service and outcomes for our clients once the Act has been in operation for a full year. This will then be used to inform decisions about the deployment of resources.

Improving advice and information sharing

- 5.25 The Council works with many local agencies which provide expertise, advice and support to those at risk of homelessness. We value their work tremendously and wish to make full use of this resource, for example, by ensuring that the role and work of local agencies is fully harnessed within personalised housing plans.
- 5.26 Indebtedness has been identified as a key underlying reason behind many housing difficulties and we will encourage local organisations to refer those with debt issues to specialist agencies such as Citizens Advice.
- 5.27 We also need to ensure that our partners and customers understand the Council's new duties, and the resources available to us, so that all parties can work together to effectively prevent homelessness without unrealistic expectations.

Early identification

- 5.28 Many households are still waiting until they reach crisis point before they approach the Council for assistance, meaning that it is often too late for prevention measures to be effective. The Council already works closely with relevant agencies to identify households at risk of homelessness and to provide early intervention in the form of accommodation and support plans for care leavers and young people and most recently, support to help victims of domestic abuse to remain safely in their homes.
- 5.29 The Council will work to engage with other agencies, especially those specified under the new duty to refer, to encourage early referrals for other client groups and to develop the necessary working arrangements for successful early identification and intervention. We will also aim to work more closely with local housing providers to intervene at an earlier stage when tenancies are showing signs of breaking down.

Pre-crisis intervention

- 5.30 Family and relationship breakdown are two of the main causes of homelessness in the district. The Council already works with Herts Young Homelessness to provide mediation services and advice and support for young people; we will consider whether similar services are required for a wider client group.
- 5.31 We will continue to use Discretionary Housing Payments, which have been successful in helping clients to sustain tenancies, as well as helping with access to private rented housing (e.g. help with deposits).

Ensuring a sufficient supply of accommodation

5.32 A shortage of affordable accommodation in the district is the underlying reason behind much of the homelessness in North Hertfordshire. Chapter 3 of the Housing Strategy sets out how we propose to maximise the supply of affordable housing in the district and this will also be a key pillar of this Homelessness and Rough Sleeping Strategy. Additional measures that we will undertake are set out as follows.

Improving access to the private rented sector

5.33 The private rented sector is increasingly a valuable source of accommodation, especially for those households who do not qualify for affordable housing in the district (for example, because of debt or criminal records). However, access to the sector is heavily dependent on properties being available, the willingness of landlords to accept households on benefits and funds being available through the local credit union. In recent years, the Council has had less success in preventing homelessness by helping people to find alternative accommodation, largely due to reduced availability of private rented properties (see table 5).

5.34 In response, the Council has recently appointed a dedicated officer with responsibility for sourcing and maintaining a supply of private rented accommodation. Early indications are that this is working well; we will continue to work to develop links with local landlords and to consider the provision of support for tenancy sustainment if there is a need for this given the continuing risks posed by welfare reform measures.

Access to affordable housing

5.35 The Common Housing Allocation Scheme provides reasonable preference to people who are homeless or who are owed specific homelessness duties as set out in legislation. Around two thirds of households to whom the Council has accepted a main housing duty will be accommodated via a social housing tenancy. It is also an important prevention tool, encouraging young households in particular to remain in the family home and bid for affordable housing rather than approaching the Council as homeless. We will monitor the allocations scheme to ensure that it continues to be sufficiently focused on homelessness prevention and that it is in tune with the requirements of revised homelessness legislation.

5.36 Housing options for young people are particularly limited, including in the affordable housing sector, where smaller properties are in high demand. We will explore with local registered providers the feasibility of converting a small number of family houses to shared accommodation to house young people moving on from hostels or at risk of homelessness.

Accommodation for single homeless

5.37 Accommodation for single homeless people in the district is currently limited. We will work with local partners to improve the accommodation provision for this client group and especially for those with complex support needs.

Temporary accommodation

- 5.38 The Council has a sufficient supply of good quality temporary accommodation, provided by settle housing (formerly known as North Hertfordshire Homes, to whom the Council transferred its housing stock in 2003). However we need to ensure that it is continuing to be used efficiently and appropriately given the new requirements of the Homelessness Reduction Act. We will review how best to use the district's stock of temporary accommodation, exploring how it can be used more flexibly, and to house a wider range of homeless households, and identifying any barriers to moving on to settled accommodation.

Securing the provision of support

- 5.39 Many households who are at risk of homelessness or who are homeless require short term or ongoing support to prevent them from becoming homeless again. This may be housing related support to help them sustain their accommodation or personal support relating to factors such as relationship breakdown, domestic abuse, debt and addiction problems. The homelessness review provides full details of the support services available locally.
- 5.40 The effects of continued welfare reform and increasing numbers of households with less secure private rented sector tenancies mean that support for homeless households and those at risk of homelessness is likely to have an increasingly important role to play in homelessness prevention. The review identifies a need to provide coordinated information about who provides support to different client groups; at present this is provided by several different agencies, not all of which are known to all potential referral agencies. We will work to address this.
- 5.41 We will also explore ways of increasing the provision of the range of support services across more client groups, particularly those with complex needs.

Rough sleeping

- 5.42 The Council has used funding made available following the Homelessness Reduction Act to procure an outreach and resettlement service for rough sleepers in the district. This is provided by Stevenage Haven and will run for two years.
- 5.43 The project provides support tailored to the individual needs of the client, encouraging them to engage with specialist services and utilising Haven hostel accommodation to get people off the street initially. Clients are supported during and after moves into independent accommodation to ensure sustainable outcomes. To date, in the first half of 2018/19, 24 individuals have been engaged with the project.
- 5.44 We will review the outcomes of the project on its completion and consider whether further provision is required thereafter and what form this might take.

Appendix 1: Key housing partners

Black Squirrel Credit Union
Citizens Advice
Community Development Action
District parish councils
East and North Herts NHS Trust
Families First
Help to Buy East & South East
Helping Herts Homeless
Hertfordshire Constabulary
Hertfordshire County Council
Hertfordshire Home Improvement Agency
Hertfordshire Independent Living Service
Hertfordshire local authorities
Herts Young Homeless
HM Prison Service
Homefinder
Homeswapper
Homes England
JobCentre Plus
Letchworth Garden City Heritage Foundation
Local landlords and letting agents
Registered providers
North Herts Minority Ethnic Forum
Probation Service
Resolve Hertfordshire
Safer Places
Stevenage Against Domestic Abuse
Stevenage Haven
Supporting Herts
The Homeless Hub
The Salvation Army
Turning Point

Appendix 2: Registered Providers owning affordable housing stock in North Hertfordshire

	General needs	Housing for older people	Supported Housing	Total
Advance Housing and Support Limited	-	-	8	8
Aldwyck Housing Group Limited	158	-	22	180
Ashwell Housing Association Limited	10	-	-	10
Clarion Housing Association Limited	343	24	-	367
Genesis Housing Association Limited	6	17	53	76
Habinteg Housing Association Limited	8	-	6	14
Hanover Housing Association	-	30	-	30
Hightown Housing Association Limited	93	-	-	93
Home Group Limited	187	-	4	191
Housing & Care 21	-	22	-	22
Howard Cottage Housing Association	1,068	136	8	1,212
'Johnnie' Johnson Housing Trust Limited	-	49	-	49
Metropolitan Housing Trust Limited	10	-	21	31
North Hertfordshire Homes Limited	7,157	687	82	7,926
Notting Hill Home Ownership Limited	-	-	-	0
Origin Housing Limited	88	-	24	112
Paradigm Homes Charitable Housing Association Limited	10	-	-	10
Places for People Homes Limited	5	-	-	5
Reside Housing Association Limited	-	-	8	8
Sanctuary Housing Association	98	-	-	98
St Mungo Community Housing Association	-	-	5	5
Stonewater Limited	119	-	-	119
The Guinness Partnership Limited	146	-	-	146
The Papworth Trust	-	-	22	22
Thrive Homes Limited	2	-	-	2
TOTAL	9,508	965	263	10,736

Source: Homes and Communities Agency (2018) Statistical Data Return 2017-2018.
Records low cost rental properties located in North Hertfordshire and owned by registered providers.

Appendix 3: Preference bands within the Common Housing Allocation Scheme

Applicants accepted on to the Common Housing Register are assessed and awarded preference (priority) according to their housing needs and placed in the appropriate preference band, details as below. For full details about how affordable housing is allocated in the district, please refer to the Common Housing Allocation Scheme.

Band A - High Preference

High preference will be awarded where applicants or a member of their household:

- has been awarded high medical priority because of a high need to move due to a permanent medical condition or a disability and other remedies such as Disabled Facilities Grants have been investigated and eliminated;
- has an urgent need to move to provide care to a person who has a high medical priority because of a permanent medical condition or a disability or such a person needs to move to receive care and other remedies have been investigated and eliminated;
- is under-occupying social housing in the district;
- is a tenant of social housing in the district and has had their housing benefit entitlement reduced as a result of under-occupancy and they meet the criteria set out in the NHHP policy on under-occupation and housing benefit reduction;
- a senior officer of the NHHP has decided that a household has cumulative housing needs so great as to necessitate an urgent move;
- is a tenant of NHH and is being permanently decanted from their home. In these circumstances, preference will be awarded for a limited period after which the NHHP will make a direct offer.

Band B – Medium Preference

Medium preference will be awarded where:

- a household has been accepted as unintentionally homeless and in priority need and is owed the main s193(2) housing duty by NHDC, unless they are placed in temporary accommodation which is designated for a special needs client group;
- the applicant needs to move and is vulnerable and cannot be expected to find their own accommodation and there is no other person in the household who could be expected to do so on their behalf;
- a member of the household has been awarded medium medical priority;
- there is a need to move to provide care to a person who has a medium medical priority because of a permanent medical condition or a disability or such a person needs to move to receive care and other remedies have been investigated and eliminated;
- the applicant is in supported accommodation within the district, or has been placed in supported accommodation (whether within or outside the district) by NHDC, and is ready to move into general needs housing;
- households living in accommodation that is in such poor condition that it poses an unacceptable risk of accidents and/or ill health;

- households that include a dependent child or a vulnerable adult that require another bedroom according to the terms of the Common Housing Allocation Scheme;
- households living in self-contained one bedroom accommodation that include two children of the same sex under the age of 16, or children of the opposite sex under the age of 10;
- a household with children is living in bedsit/studio accommodation. Such households will be awarded preference for lacking two bedrooms, with additional preference given to those with more than one child;
- households with dependent children or a vulnerable adult sharing facilities with another household;
- the household is in social housing in North Herts that has adaptations which are not needed by the household;
- care leavers who have been assessed as ready for independent living, in accordance with the Hertfordshire Joint Housing Protocol.

Band C – Low Preference

Low preference will be awarded where:

- a household with no dependent children or vulnerable adults is sharing facilities with another household;
- a household is owed a duty, other than the main housing duty, by NHDC under homelessness legislation;
- a household has been accepted as unintentionally homeless and in priority need and placed in supported accommodation by NHDC but is not yet ready to move into general needs housing;
- a household that has been accepted as homeless or threatened with homelessness and in priority need by any local housing authority other than North Hertfordshire District Council;
- a household is owed a duty by NHDC under homelessness legislation but does not meet the qualifying criteria for joining the CHR;
- the applicant or a member of his or her household has been awarded low medical priority;
- there is a need to move to provide care to a person who has a low medical priority because of a permanent medical condition or a disability or such a person needs to move to receive care and other remedies have been investigated and eliminated;
- the household does not include children or vulnerable adults and they require another bedroom under the terms of the Common Housing Allocation Scheme;
- the household is occupying a property in which a bedroom is too small;
- single person households who have lived in a bed-sit or studio flat for three years within the district, as tenants, and wish to move to a one bedroom flat;
- children under the age of 6 or pregnant women are living in flats above the ground floor;
- children under the age of 11 who do not have access to a secure garden;
- there is a need to move to avoid hardship;
- households are in accommodation with limited security of tenure;
- the applicant is in an institution and has no suitable accommodation to return to;
- applicants are over 55 years of age with a support need and require sheltered housing/Retirement Living;
- looked after children and care leavers aged 16 and 17, in accordance with the Hertfordshire Joint Housing Protocol.

Appendix 4: National Planning Policy Framework definition of affordable housing

Taken from Annex 2 of the revised NPPF 2018, affordable housing is defined as follows:

“ **Affordable housing:** housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

a) **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

b) **Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement. ”

ANNEX 1

NORTH HERTFORDSHIRE DISTRICT COUNCIL TENANCY STRATEGY

1. Introduction

- 1.1 North Hertfordshire District Council, as the local housing authority, has a duty to prepare and publish a Tenancy Strategy⁴¹.
- 1.2 The purpose of the Tenancy Strategy is to set out the high level objectives which registered providers of social housing (RPs) operating in the district need to have regard to in formulating their own policies on tenancies. Specifically, the Tenancy Strategy provides guidance to RPs relating to:
- the types of tenancies they will grant;
 - the circumstances in which different types of tenancies will be granted;
 - where fixed-term tenancies are granted, the length of the fixed term and the circumstances in which a further tenancy will be granted when the fixed term expires.
- 1.3 This is our second published Tenancy Strategy and replaces our 2012 Tenancy Strategy. The Strategy has been developed in conjunction with our Housing Strategy 2019-2024 and supports and contributes towards the priorities contained therein, specifically:
- maximising the delivery of affordable housing to meet local needs
 - providing genuinely affordable homes
 - ensuring affordable housing is allocated to those in most need
 - supporting the prevention and management of homelessness
- 1.4 The Tenancy Strategy also takes into consideration and supports: the North Hertfordshire Common Housing Allocation Scheme; our proposed submission Local Plan for 2011-2031; and North Hertfordshire Partnership's Sustainable Community Strategy 2009-2021.
- 1.5 The Council recognises that we need to work with local RPs and other partners to achieve our objectives. We are therefore keen to promote open and early dialogue about any issues arising from this Strategy.
- 1.6 We will review this Tenancy Strategy on an annual basis or in response to legislative or policy changes.

⁴¹ Localism Act 2011 section 150.

2. Background

Housing tenure reform

- 2.1 The Localism Act 2011 introduced significant reform to social housing tenure, introducing the ability for registered providers, should they choose, to offer tenancies for a fixed term to new tenants with effect from 1st April 2012. The Act also introduced an Affordable Rent model which enables providers to set rent at up to 80% of local market rents on both a proportion of their existing re-lets and on new build properties.
- 2.2 The stated aims of the reforms were to enable more targeted use of the available social housing stock to help households that are most in need and to increase the funding available for new affordable housing. Over- and under-occupation in particular were seen to be persistent problems that could be eased by allowing RPs to offer shorter tenancies to households that may be able to move on in the future through other housing options, thus freeing up more social housing.
- 2.3 Prior to this reform, registered providers were required to offer tenants the “most secure” form of tenancy, meaning the majority of tenants were offered assured tenancies, in effect lifetime tenancies. The revised regulatory framework for social housing brought about by the Localism Act removes this requirement, replacing it with a requirement that RPs offer tenancies or terms of occupation which, “are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community, and the efficient use of their housing stock⁴².”
- 2.4 It is important to note that the regulatory framework also requires that registered providers “shall grant those who were social housing tenants on the day on which section 154 of the Localism Act 2011 came into force, and have remained social housing tenants since that date, a tenancy with no less security where they choose to move to another social rented home, whether with the same or another landlord. (This requirement does not apply where tenants choose to move to accommodation let on Affordable Rent terms)”.
- 2.5 Registered providers are required to publish a tenancy policy which sets out their approach to specified areas of tenancy management⁴³.

3. Use of fixed-term tenancies

- 3.1 The Council recognises that fixed-term tenancies can help to ensure that affordable housing is available for those who need it most. This is an important consideration in areas such as North Herts where the private housing sector is unaffordable for many and the demand for affordable housing is consistently high. Our Housing Strategy provides more detail about the circumstances in our district.
- 3.2 However the Council firmly believes that these considerations need to be balanced against the benefits that security of tenure and stability provide for

⁴² Tenancy Standard from the Regulator of Social Housing’s Consumer standards.

⁴³ Ibid.

individual households, particularly our most vulnerable residents. These enable individuals to put down roots and create strong, stable and supportive communities.

3.3 The use of fixed-term tenancies can also have negative consequences beyond impacts on the individual and, crucially, may not be an effective tool for achieving their desired policy outcomes:

- the management of fixed-term tenancies (specifically tenancy reviews) imposes significant resource pressures on providers and can be a crude tool as renewal dates will rarely coincide with a change in tenants' circumstances. A government assessment suggests that tenure reform will not significantly increase the number of vacant homes available until the late 2030s⁴⁴;
- making tenure dependent on proof of continuing need for social housing could dis-incentivise tenants from seeking or taking up work;
- the use of fixed-term tenancies could undermine the sustainability of communities by increasing the transience and social exclusion of neighbourhoods, leading to increased pressure on housing management resources, to deal with neighbour disputes for example; and
- fixed-term tenancies can act as a barrier (actual or perceived) to mobility as people do not want to lose security of tenure.

3.4 Indeed, as our Housing Strategy references, there appears to be a new-found recognition within government of the key role that affordable housing has to play in building strong communities⁴⁵. Within the registered provider sector too, there are moves away from the use of fixed-term tenancies with research finding that they have not achieved their desired policy outcomes⁴⁶.

Specific recommendations for registered providers

3.5 The Council recommends that fixed-term tenancies are not used at all for the following groups:

- households requiring sheltered or flexicare accommodation;
- households requiring supported accommodation;
- households containing someone with a life-long, serious and life affecting condition; or
- households containing someone who is vulnerable owing to some other reason and whose long-term health or safety could be at risk if they are moved from their home and established support networks.

⁴⁴ Shelter (2012) *Local decisions on tenure reform: Local Tenancy Strategies and the new role of local housing authorities in leading tenure policy*.

⁴⁵ Ministry of Housing (2018) Communities & Local Government, *A new deal for social housing*.

⁴⁶ Research conducted by L&Q housing association, as reported by Inside Housing on 21st September 2018.

3.6 Where fixed-term tenancies are used:

- tenancies must ordinarily be for a minimum of five years, in addition to any probationary tenancy period (as per the regulatory framework);
- tenancies of less than five years should only be used in exceptional circumstances which are detailed in the provider's Tenancy Policy;
- longer fixed-term tenancies should ordinarily be offered to families with dependent children, with a minimum term of 10 years;
- longer fixed-term tenancies should also be considered for older households (aged over 65) and vulnerable tenants who would benefit from the increased stability offered; and
- all tenants should be given clear information on the type of tenancy being issued to them, the reasons for offering that tenancy and the process for reviewing the tenancy.

4. Reviewing fixed term tenancies

- 4.1 The process of review can be an anxious one for tenants and all efforts should be made as far as possible to reduce the uncertainty around the process. Registered providers' tenancy policies should contain clear details of how frequently a fixed-term tenancy will be reviewed and the factors that will be considered when deciding whether a tenancy will be renewed.
- 4.2 As a general principle, the Council would expect that most fixed-term tenancies will be renewed, other than in exceptional cases where a tenant's circumstances have changed significantly or where there have been significant tenancy breaches.
- 4.3 We do not support the automatic ending of tenancies solely on the basis of increased household income. This can lead to perverse disincentives to work and progression and puts social housing in danger of becoming more residualised. We would recommend that the tenancy review should also take into account a balance of factors including family circumstances and community contribution. Where alternative housing options, such as shared ownership, are discussed, we would expect this to be supported by a thorough affordability assessment.
- 4.4 The Council recognises that under-occupation is not consistent with the efficient use of the district's stock of affordable housing stock. It is estimated that just over half of the district's affordable housing is under-occupied, most commonly by couples (both of pensionable age and younger) who no longer have children living with them⁴⁷.
- 4.5 The use of fixed-term tenancies can help to reduce under-occupation. However the mismatch between affordable housing stock in the district (over half of general needs stock has three or more bedrooms) and demand (87% of households on the Common Housing Register have a need for properties of two bedrooms or fewer) means that tackling under-occupation will lead to even more pressure on smaller properties. The Council is therefore of the opinion that ending fixed-term tenancies due to under-occupation is not

⁴⁷ Anna Clarke et al (2011) *Under-occupation in North Hertfordshire*.

desirable but we recognise that this is an area that we need to work in partnership with local providers to address.

- 4.6 Fixed-term tenancies should not generally be used for housing management purposes and should not be used as an alternative to existing mechanisms to deal with issues such as anti-social behaviour and rent arrears. We recommend that registered providers should invest resources in providing suitable tenancy sustainment services to help vulnerable tenants and those who need additional support. This is particularly important as Universal Credit is rolled out fully in the district, given the reported detrimental impacts its introduction has had on rent arrears elsewhere in the country.
- 4.7 North Herts is a predominantly rural district and consideration needs to be given to maintaining the vitality of these areas and ensuring that young people in particular are able to remain in their local area. We would encourage registered providers to be sensitive to the particular needs of our rural communities when making use of fixed-term tenancies as affordable properties are typically scarce in these areas and the termination of a tenancy may force a household to move out of the community due to lack of alternative accommodation.

Specific recommendations for registered providers

- 4.8 In all cases:
- registered providers should provide written notice stating whether they propose to grant another tenancy or not (as per the regulations), at least six months before the end of the tenancy;
 - tenancy reviews should consider the individual circumstances of the household, including any recommendations from the Council and other partner organisations. The outcome should not be based solely on factors such as household income; and
 - registered providers should monitor – and share this information with the Council - the number of tenancies which are not renewed, the reasons for the termination of tenancy and the characteristics of the households affected.
- 4.9 And, where a tenancy is not renewed:
- tenants should be informed in writing of the reasons for ending the tenancy and information given on how to make an appeal;
 - RPs shall offer reasonable advice and assistance where the tenancy ends (as per regulations);
 - RPs should inform the Council's Housing Options team, in line with existing protocols and the National Housing Federation's Commitment to Refer; and
 - where a tenancy is to be terminated without a breach of tenancy, reasonable efforts should be made to offer suitable other accommodation and consideration should be given to extending the tenancy until alternative suitable accommodation can be found.

5. Starter/probationary tenancies

- 5.1 The Council supports the considered use of probationary, or starter tenancies, to assist in a coordinated approach in the management of nuisance and/or anti-social behaviour, where there are concerns about a potential tenant's past behaviour. Such tenancies should be for a maximum of 12 months, or a maximum of 18 months where reasons for extending the probationary period have been given and where the tenant has the opportunity to request a review.

6. Affordable rent

- 6.1 Our Housing Strategy for the district establishes as a priority, ensuring that housing is genuinely affordable for local residents.
- 6.2 For many households registered for affordable housing in the district, social rented housing is the only sustainable affordable option. Housing let at affordable rents is also affordable for households in receipt of benefit *as long as* rent levels are set below Local Housing Allowance levels. It could, however, be argued that such an approach encourages the entrenchment of benefit dependency, with its associated uncertainty stemming from potential future policy changes and exposure to any disincentives to work and progression that may be inherent in the benefit system.
- 6.3 The Council therefore continues to propose a cautious approach to the conversion of existing social rented properties to affordable rent. Registered providers should also be mindful of impacts on the mobility of tenants if the affordable housing stock becomes increasingly mixed with properties let under different rent models and tenure lengths. However, we recognise the need for housing providers to innovate and welcome early opportunities to be involved in discussions about the development of different affordable housing products to meet local need.
- 6.4 The Council also recognises that the affordable rent model is essential to securing the delivery of new homes to meet the district's housing needs, as evidenced in our Strategic Housing Market Assessment⁴⁸ (SHMA). The Council will support new affordable rented housing where it is appropriate and affordable to the local community.
- 6.5 Delivery of new rented housing to meet affordable housing targets in the Local Plan will be met through a mix of properties let at social and affordable rents, appropriate to the individual site. However, the SHMA stipulates that the use of affordable rent is not appropriate for all properties due to the high cost of private sector housing in the district (see our Housing Strategy for more information). In particular, the SHMA advises that affordability is a particular concern for larger properties let at affordable rent levels and proposes that affordable rent should be set at no more than 70% of market rents for three bedroom properties and should not be used at all for properties of four bedrooms or more.

⁴⁸ ORS, Stevenage and North Hertfordshire Strategic Housing Market Assessment Volume 2, August 2016.

Specific recommendations for registered providers

6.6 We recommend that:

- affordable rents should not exceed the Local Housing Allowance rate;
- affordable rents should be set at 70% for three bedroom properties;
- larger properties with four or more bedrooms should only be let at social rent;
- scarce properties that meet specific needs such as adapted units, supported housing, sheltered housing and rural properties should not normally be converted to affordable rent;
- registered providers should consult with the Council at an early stage on plans to convert existing social rented properties to affordable rent; and
- the Council would wish to see any extra income received through conversions in the district used to invest in new supply in North Herts.