

Housing Strategy – Updated Action Plan 2024-2027	
Executive Summary	This report sets out a review of the Council’s existing Housing Strategy (2022-2026) including an evaluation of progress against the existing aims and action plan; and proposes an updated action plan for the period 2024 - 2027
Options considered	A range of interventions were considered as part of the development of the current Housing Strategy. These have shaped the proposed updated action plan
Consultation(s)	Portfolio Holder for Housing and Peoples’ Services Officers identified in the action plan in Appendix B
Recommendations	It is recommended that Cabinet agree the proposed new Housing Strategy actions set out in Appendix B of this report
Reasons for recommendations	To ensure the Council’s Housing Strategy continues to provide a framework for delivery of the Corporate Plan aim “Meeting our housing need”.
Background papers	None

Wards affected	Districtwide
Cabinet member(s)	Cllr Fredericks, Portfolio Holder for Housing and Peoples’ Services
Contact Officer	Nicky Debbage / Graham Connolly, Housing Strategy & Delivery Manager, nicky.debbage@north-norfolk.gov.uk / graham.connolly@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	Meeting our Housing Need.
Medium Term Financial Strategy (MTFS)	Effective delivery of the Housing strategy actions will help the council tackle housing need and potentially reduce some costs to the Council such as the cost of temporary accommodation for homeless households the Council has a duty to accommodate.
Council Policies & Strategies	NNDC Housing Strategy 2021-2025

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	NA
Details of any previous decision(s) on this matter	NA

1. Introduction

- 1.1 The Council adopted the current Housing Strategy and Action Plan in 2021. We have delivered many of the original actions in the Action Plan. There have been some significant successes, see section 3. Unfortunately there remain many challenges to housing in the district; high levels of homelessness, the need to improve the energy efficiency of housing in the district and the housing needs of older residents being three of the more pressing challenges.
- 1.2 The Council has adopted a new Corporate Plan for 2023/27. This includes specific actions to help 'Meet our Housing Need'. We have taken the Corporate Plan actions and added a number of additional actions to create a new Action Plan for 2024-2027.
- 1.3 The remainder of this report considers what we have delivered in the current Housing Strategy Action Plan. The report also introduced the proposed actions for the new Action Plan and seeks the support of Cabinet for this plan.

2. Background – The Current Housing Strategy

- 2.1 Cabinet and Full Council approved The Council's current Housing Strategy in 2021. The Strategy sets out the Council's priorities for housing and the actions the Council plans to take to improve housing in the district. The Strategy takes account of the substantial housing challenges in North Norfolk and with housing being a high priority for the Council.
- 2.2 The resulting Strategy identified four high level aims:
 1. Increasing the supply of new housing – this aim particularly focusses on delivery of affordable homes; supporting others to do this and looking at whether the Council could do this directly; and supporting different types of development such as community-led.
 2. Improving housing stock condition in the private sector - this aim focusses on improving energy efficiency and reducing fuel poverty; plus tackling disrepair and empty homes.
 3. Making better use of existing housing - this aim focusses on improving access to existing homes through our allocations policy but also accessing other forms of housing like private rented or low cost home ownership.
 4. Supporting vulnerable residents - this aim focusses on preventing homelessness and supporting those facing homelessness; as well as

ensuring provision of specialist homes and support for those who need these.

- 2.3 Appendix A provides detailed information of the actions included in the existing Housing Strategy Action Plan. Note that operational teams do the vast majority of work to tackle the housing challenges in North Norfolk on a daily basis.

3. Current Housing Strategy - Successes

- 3.1 Some of the successes of the Current Housing Strategy include:
- 3.2 **Increasing the Supply of New Housing** - We have a permanent Community Housing Enabler who has developed a pipeline of c250 affordable homes (with completion between 2024/25 and 2026/27) on exceptions housing sites working with RPs, land owners, local communities and Homes England.
- 3.3 To support RPs to deliver more homes we have a report from Bidwells consultants on making the planning process easier and we have provided top-up grant funding to RPs using section 106 monies and the Community Housing Fund monies. We have also reached out to local developers to encourage them to build affordable homes
- 3.4 **Improving Stock Condition in the Private Sector** - In 2022 we appointed an Energy Officer to help maximise the number of households in the district who receive grant funded energy efficiency retrofit works. In 2023/24 nearly £450,000 of Home Upgrade Grant will deliver improvements to 41 homes (mostly in the Stalham area) benefitting low income households and helping to reduce the district's CO₂ emissions.
- 3.5 The Council is also signed up to Eco-flex which gives local residents access to grant funded retrofit works using money from energy company obligations¹. The Council's energy officer has approved 42 Eco-flex applications² so far in 2023/24.
- 3.6 **Making Better Use of Existing Housing** - A major challenge is ensuring the existing affordable housing stock has the biggest impact on meeting housing need. We have produced a revised allocation policy due to be considered by Cabinet. This aims to meet the competing needs for affordable homes from homeless households and others in high housing need.
- 3.7 **Supporting Vulnerable Residents** - Using grant supported by match funding the Council will soon own 25 homes for use as temporary housing/move on housing. These homes provide better quality housing to homeless households and at less cost than the alternative of bed and breakfast hotels (the council can claim £98 per week for the costs of placing a household in bed & breakfast. Typically the cost is £700 per week, meaning the net cost to the Council is over £600 per week).

¹ Energy company obligations (ECO) – part of Energy Company profits used to pay for energy efficiency retrofit works to properties with poor energy efficiency occupied by low income households.

² The Council is involved in confirming the applicant meets the eligibility criteria. It is likely, but not certain that eligible applicants will go on to receive grant funded improvement works.

4. The Need to Review the Strategy?

- 4.1 Since the development of the Strategy in 2021, and despite significant activity to deliver Housing Strategy actions and continuing to deliver quality housing services, the District faces severe housing challenges.
- 4.2 Many of the issues faced in North Norfolk are in line with national housing pressures:
- Continuing rises in house prices and rising interest rates, meaning owner occupation is unaffordable to many households.
 - A decline in the numbers of private rented homes available, but sharp increases in rents with very few homes available within housing benefit (Local Housing Allowance) levels putting private renting beyond the means of many low earning households.
 - Rising construction costs and slowing delivery of new homes in an uncertain market, and in particular, a reduction in delivery of new affordable homes. In North Norfolk we face further challenges as a result of nutrient neutrality requirements
 - Rising energy prices bringing a sharp focus to the need for energy efficient homes.
 - An ageing population requiring suitable homes and support services.
- 4.3 We have updated the data underpinning the Housing Strategy, see Appendix C to this report. Some of the key headlines from this data for North Norfolk's housing situation include:
- In 2022 the median house price of £300,000 - which was 10.6 times the median income.
 - In June 2020 a review of properties for rent found 82 properties available for rent, with 15 within the local housing allowance (LHA) rate. In August 2023 there were 68 properties for rent, with only two within the LHA rate (which has not risen since 2020). Average rents rose between 26% - 39% (depending on property size). The current LHA for a 3-bed house is £710 per month, the average rent for a 3-bed in North Norfolk in 2023/24 was £1,197 – a gap of £487
 - 9% of homes are Second Homes plus a further 3% are Holiday lets. Between 2019 and 2023 the increase in second & holiday homes was 954. In the same period the total number of homes built was 1,731 – effectively meaning the 'loss' of 55% of additional homes to local households.
 - Over the nine years 2013-2021, 918 new affordable homes were built, an average of 102 per annum. In 2023/24 (post nutrient neutrality requirements) 18 were built.
 - There were 557 households on the housing register as at 31st March 2023 (an 18% increase of in these higher need cases. By contrast housing associations let only 281 homes in the year (a 41% decrease).
 - Energy efficiency and fuel poverty remain an issue especially in the private rented sector. With proportionately more homes in the in the low Energy Performance bands E – F
- 4.4 An additional change, since the 2021-26 Housing Strategy, is that the Council has adopted a new Corporate Plan 2023-27. The Corporate Plan identifies revised priorities for Meeting Our Housing Need: Address Housing Need,

Tackle the Impact of Second Homes and Holiday Lets, and Promote Best Use of Housing Stock and Good Housing Standards.

- 4.5 Whilst there have been some changes, the new Corporate Plan still identify similar housing challenges and priorities. The existing Housing Strategy high level aims and objectives still reflect the housing objectives in the Corporate Plan and the existing Housing Strategy remains relevant.
- 4.6 However, since 2021 some challenges have grown and others are less prominent. Additionally, good progress has been made in delivery the actions identified in the 2021 Housing Strategy action plan and it is clear that new / updated actions are needed for the remaining period of the existing Housing Strategy (to 2027) which include new Corporate Plan actions.

5. Some of the Key Challenges for the New Housing Strategy Action Plan

- 5.1 The Council is supporting an increasing number of homeless households. The impact of homelessness is devastating to those affected, including many children. It is also costly to the Council because government subsidies cover only part of the cost of providing temporary accommodation. So many of the actions in the action plan have a focus around homelessness including actions to increase the delivery of affordable homes and the possibility of additional direct delivery of temporary housing by the Council.
- 5.2 The district has a small, and we believe declining, private rented sector. More good quality private rented homes would reduce the pressure on the limited stock of affordable homes. The economy, legislation and the alternative holiday let market make this a difficult area for the Council to influence. We believe there is merit in re-viewing the option of the Council setting up a housing company to develop homes for market rent (and possibly additional temporary housing).
- 5.3 The district has only two RPs developing general needs affordable housing we also have few small scale developers interested in delivering affordable homes. We will continue our efforts to encourage more RPs and SME developers to work in the district.
- 5.4 The full details of the New Housing Strategy Action Plan appear in Appendix B. It is recommended that Cabinet agree the revised Housing Strategy Action Plan now to provide a framework for actions to tackle the significant housing challenges the district faces. However, we recognise that other work is ongoing, including the Homelessness Task and Finish Group, which may identify further actions and additions to the Action Plan. The Action Plan should be considered as a live document that can be revised to accommodate new actions to tackle housing issues.

6. Corporate Plan Objectives

- 6.1 Delivery of the Housing Strategy action plan will help deliver the Council's Corporate Plan Priority - Meeting Our Housing Need

7. Medium Term Financial Strategy

- 7.1 Effective delivery of the Housing strategy actions will help the council tackle housing need and potentially reduce some costs to the Council such as the

cost of temporary accommodation for homeless households the Council has a duty to accommodate.

8. Financial and resource implications

- 8.1 There are no direct financial or resource implications in this report, any financial implications will be identified for individual projects included in the Housing Strategy action plan.

9. Legal implications

- 9.1 There are no direct legal implications in this report, any legal implications will be identified for individual projects included in the Housing Strategy action plan.

10. Communications issues

- 10.1 There are no direct Communications issues in this report, any implications will be identified for individual projects included in the Housing Strategy action plan.

11. Risks

- 11.1 Without an effective Housing Strategy action plan the Council risks not being able to deliver against the Corporate aim of Meeting Our Housing Needs.

12. Net Zero Target

- 12.1 The actions in the Housing Strategy action plan to improve energy efficiency will also help reduce CO₂ emissions in the district.

13. Equality, Diversity & Inclusion

- 13.1 The actions in the new Housing Strategy Action Plan aim to support access to housing and housing related services. We will consider implications for equality, diversity and inclusion as we deliver specific actions in the Action Plan.

14. Community Safety Issues

- 14.1 We have not identified any community safety issues.

15. Conclusions and Recommendations

- 15.1 The current Housing Strategy has provided a good framework for delivery of a range of projects to help tackle housing challenges in the district. The Housing Strategy is still relevant and reflects the Corporate Plan priorities. However, many of the actions in the existing Housing Strategy action plan have now been delivered and new actions are required to provide a framework for work going forward. Therefore It is recommended that Cabinet:
- Agree the proposed new Housing Strategy actions set out in Appendix B of this report.

Appendix A – Summary of Actions Delivered in the Current Housing Strategy Action Plan

Increasing the Supply of Housing	
Direct Delivery	<ul style="list-style-type: none"> Investigated Council housing company – for development and purchase of existing home to use for Temporary Accommodation and market rent. Concluded not viable.
Supporting Delivery by Others	<ul style="list-style-type: none"> Commissioned consultants (Bidwells) to research making the planning process easier for affordable housing. Permanent Enabling Officer role put in place to support Registered Providers (to provide an informal pre-application, communications with communities, site finding & liaison with landowners, etc.). Put in place programme of s106 / Community Housing Fund grant and loans RPs. Negotiated higher levels of grant and allowing cross-subsidy & grants on Exception scheme with Homes England. Established approach to try to attract and support Small & Medium Enterprise developers to deliver affordable homes.
Supporting New Types of Development	<ul style="list-style-type: none"> Investigated options to support more market rent homes, which resulted in improved information on website, support to Holkham Estate development including market rent units Supported use of Modern Methods of Construction (MMC) – with a number of RP schemes now using MMC in development Support provided (grant/loans, information) to existing, and development of one new, Community-led Housing organisation

Improving Housing Stock Condition in the Private Sector	
Improving Energy Efficiency and Reducing Fuel Poverty	<ul style="list-style-type: none"> Commissioned private sector energy efficiency and stock condition data report New post of Energy Officer introduced to maximise North Norfolk residents access to energy efficiency grants Lobbied for longer-term government funding for energy efficiency works

	<ul style="list-style-type: none"> • Developed a clear energy efficiency support offer to households (in partnership with Norfolk Warm Homes) • Promoted and provided support to households to access grants, especially in targeted areas (e.g. Stalham) • Investigated whether the Council should provide accreditation or directly deliver energy works (rejected) • Worked with Country Estates and other landlords to promote best practice and access energy grants
Tackling Disrepair	<ul style="list-style-type: none"> • Investigated options to help tackle disrepair • Introduced programme of small grants to tackle disrepair issues linked to DFG cases
Tackling Empty Homes	<ul style="list-style-type: none"> • Investigated options to tackle empty homes • New post of Empty Homes officer introduced

Making Best Use of Existing Homes	
Managing the Loss of Affordable Homes	<ul style="list-style-type: none"> • Introduced monthly meetings with Flagship to discuss potential disposals • Purchased a Flagship disposal home to be used for Temporary Accommodation • Provided s106 grant to Flagship to repair and retain a home that was planned to be disposed of • Provide grant and loan to facilitate Homes for Wells to purchase Flagship disposals
Supporting Access to Home Ownership	<ul style="list-style-type: none"> • Investigated whether the Council should offer mortgages for shared ownership buyers (rejected). • Prepared the Council for the introduction of First Homes as a possible new tenure
Allocating Homes Fairly	<ul style="list-style-type: none"> • Commenced the review of the current allocation policy • Accessing Alternative Housing Options, specially Private Rented Sector • Investigated Private sector leasing scheme (rejected due to lack of willing landlords, unsuitable properties and complex legal and insurance issues)

Supporting Vulnerable Residents (to access & sustain suitable housing)	
Prevention of Homelessness and Help for those who are Homeless	<ul style="list-style-type: none"> • Expanded homeless accommodation accessing government grants (NSAP, RSAP and LAHF) so Council now has 23 homes for temporary housing for homeless households, refugees and ex-rough sleepers.
Provision of Specialist Housing – New and Adapted	<ul style="list-style-type: none"> • Ensured provision of specialist older persons accommodation included in emerging Local Plan • Reviewed use of Disabled Facilities Grants to improve services to vulnerable customers.