Housing and City Development Scrutiny Committee 18 December 2023

Housing Strategy Development

1. Purpose

- **1.1** This report gives an overview of the Council's developing Housing Strategy, covering the city's key housing challenges and actions to tackle them. The structure and key content of the draft Strategy is outlined below.
- **1.2** The report will also give an overview of the public consultation that will take place before the Strategy can be adopted by the Council, to ensure that Nottingham citizens and the Council's partners have had the opportunity to help shape this key document.

2. What a Housing Strategy is for

- **2.1** The Housing Strategy seeks to set out how the Council and its partners can best tackle the housing challenges faced in the city. It covers all tenures of housing. The Strategy aims to set out the vision for housing in Nottingham, the priorities for delivering homes and related services, and how the Council will work to:
- develop a framework to underpin the work that is undertaken in the housing sector;
- lay out the relevant national, regional and local context and challenges;
- aid local decision-making founded on robust evidence;
- target activity and investment of limited resources;
- support actions that best meet citizen needs and expectations; and
- encourage partnership working to address Nottingham's housing issues.

3. Nottingham's housing market

- **3.1** The pattern of housing tenure in Nottingham has changed over the last twenty years. The private rented sector has increased over this period and has now become the largest rented tenure, having overtaken the social sector, which has declined in size. Home ownership, although still the largest tenure, has also been in decline. Compared to the rest of the country there is a relatively high proportion of social and private rented housing in the city, and home ownership is some way below the country's average.
- **3.2** The stock of social housing in Nottingham has reduced significantly. Since the early 1980s the Council has sold over 24,000 Council homes through the Right-to-Buy policy. This is about as many homes as are left in the Council's ownership today. Nottingham is still losing social rented houses through this policy: currently at the rate of around 270 homes per year, with the discount given averaging £14 million per year (this average is for the last five years, 2018/19 to 2022/23).

- **3.3** Private rents in Nottingham are rising faster than wages and, over the last few years, have been rising faster than the UK average. The Local Housing Allowance freeze has added to financial pressures for tenants in the private rented sector on Universal Credit or housing benefit as rent costs are no longer fully covered by these benefits.
- **3.4** House prices in the city are rising, although still below many other areas in the country. However, lower-than-average earnings in Nottingham have a significant impact on the affordability of home ownership for many local people.
- **3.5** Over one quarter of the city's houses are over a hundred years old and more than half are over fifty years old, so often do not meet adequate standards of energy efficiency. Many households in energy inefficient homes coupled with low incomes find themselves in fuel poverty, where 18.1% of households in Nottingham experienced fuel poverty compared to 13.1% in England¹.
- **3.6** It is estimated that 18% of Nottingham's homes are non-decent². A non-decent home is one either with a hazard or immediate threat to a person's health, not in a reasonable state of repair, lacking modern facilities or not effectively insulated or heated. This nationally modelled data indicates that the private rented sector has the highest proportion of non-decent homes (24%), followed by owner-occupied homes (17%).
- **3.7** In line with the Government's method for calculating housing need, Nottingham's Local Plan has set an annual target for an additional 1,170 homes for the next five years until 2028. Nottingham was also included in the Government's instruction during September 2021 to England's 20 biggest cities and towns to increase their housing targets by 35% on top of their housing need calculation, which increases the annual target to 1,580.
- **3.8** The city's Housing Needs Assessment 2020 considered the need for different types of affordable housing products in the city. It identified a net need for over 1,100 additional rented affordable homes per year in the period 2020-38, with the greatest need being for social rent.

4. Nottingham's people

- **4.1** The population of Nottingham is projected to increase by over 15,000 people over the next 10 years. Many residents are on low incomes and the city has high levels of deprivation compared to the national average. There are over 10,000 people on the Housing Register waiting for social housing. The number of lettings available each year is around 1,500, with demand clearly outstripping supply.
- **4.2** Nottingham is home to a diverse range of people with a broad range of different and changing needs associated with age, health, disability and levels of vulnerability, all of which will require a degree of strategic intervention to ensure these needs are

-

¹ LILEE, 2021

² https://www.gov.uk/government/statistics/english-housing-survey-local-authority-housing-stock-condition-modelling-2019

met. 36% of Nottingham households have at least one person with a disability, while the average across England is 32%.

- **4.3** There is a relatively high proportion of young adults (under 25-year-olds), reflecting the presence of two universities, and a relatively low proportion of adults aged 25-64. Many students who live in the city do so in traditional family housing stock, which contributes to the shortage in quality family housing available in some areas.
- **4.4** The level of demand for homelessness support in Nottingham is extremely high and increasing, and the Council is having to place significant numbers of people into temporary accommodation to meet its duties.

5. Nottingham's most pressing housing issues

- **5.1** Regarding housing, the key issues the city is facing are:
- a lack of affordable housing to rent;
- high numbers of people who are homeless, including rough sleepers, and people at risk of becoming homeless;
- the quality of rented accommodation and the service provided; and
- the energy efficiency of the city's homes and the impact on the environment from their carbon emissions.

6. Vision Statement

6.1 The Council's vision statement is that: "Homes in Nottingham provide people with a place to live that is safe, warm and affordable. Every home is of good quality and part of a vibrant local neighbourhood where everyone has a chance to thrive. We believe that regardless of tenure and housing type all citizens should be able to access housing that meets their needs now and into the future."

7. Nottingham's Housing Strategy – proposed structure

- **7.1** The proposed structure of the Housing Strategy document is:
 - Introduction
 - Vision and Priorities
 - Nottingham's People and Housing Market An Overview
 - National and Local Policy Context
 - The Strategic Aims for Nottingham
 - 1) Meeting the City's Diverse Housing Needs and Aspirations
 - Driving Excellence in Housing Standards and Services Across all Tenures
 - 3) Enabling New-Build Housing Growth and Regeneration for a Green and Prosperous Nottingham
 - Resources Available to Deliver the Strategy

8. The strategic aims

8.1 The draft Strategy details three strategic aims to achieve the vision and these sections are at the core of the document. Each of these aims is supported by a number of key commitments – these are the activities that seek to achieve these aims and ultimately deliver the Council's vision for Nottingham's homes.

9. Aim One: Meeting the City's Diverse Housing Needs and Aspirations

- **9.1** Aim one focuses on measures needed to ensure the city's homes can meet the needs of its diverse population. Measures are proposed that will help meet the needs of the most vulnerable and those whose needs are not readily catered for in the conventional housing market:
 - 1) Increasing the supply of affordable homes for local people
 - 2) Making best use of social housing
 - 3) Enabling independent living through supported and specialist housing provision and support services
 - 4) Preventing homelessness and rough sleeping
 - 5) Creating safe accommodation and support for people experiencing domestic abuse
 - 6) Meeting the needs and aspirations of minority community groups

10. Aim Two: Driving Excellence in Housing Standards and Services Across all Tenures

- **10.1** Aim two focuses on how the Council can ensure the existing housing stock in the city is of good quality that all homes are safe, healthy, warm and dry. Different types of tenure are considered Council housing, registered providers, private rented and owner occupiers the most pressing quality issues in these different tenures and how best to influence and work with different types of landlords and property owners to help improve the standard of local housing:
 - 1) Improving neighbourhoods, homes and services for our tenants
 - 2) Encouraging social housing landlords to invest in their homes and in neighbourhoods in Nottingham
 - 3) Promoting good quality and sustainable, secure homes in the private rented sector
 - 4) Supporting Owner Occupiers with low incomes to maintain their homes

11. Aim Three: Enabling New-Build Housing Growth and Regeneration for a Green and Prosperous Nottingham

- **11.1** Aim three focuses on how the Council can influence the supply of new homes to ensure quality homes and neighbourhoods that meet the city's future and present needs including families, students and an ageing population. Housing's contribution to economic growth is considered alongside ensuring that new homes are developed in a low carbon and sustainable way:
 - 1) Supporting economic growth

- 2) Encouraging age-friendly and health-promoting homes and neighbourhoods
- 3) Building homes and neighbourhoods for a greener Nottingham
- 4) Bringing empty homes back into use
- 5) Achieving the right balance of student housing

12. Delivering the Strategy

12.1 Some of the above activities will be carried out by the Council, but many will rely on engagement from a range of partners to help them to be delivered. These commitments are supported by an Implementation Plan designed to monitor and achieve delivery.

13. Consultation undertaken

- **13.1** The Council has undertaken a series of engagement events with key partners to understand Nottingham's housing market and the diverse needs, demands and aspirations of its citizens. This engagement activity began with a presentation of the detailed evidence base prepared and the emerging themes. This was followed by a series of workshops where key partners and stakeholders were invited to share their thoughts on the emerging themes and the challenges and opportunities within each to shape the priorities for the strategy and the strategic aims.
- **13.2** The Council undertook an ethnicity and housing event to uncover and understand the needs and barriers associated with housing experienced by minority ethnic groups.
- **13.3** The draft Strategy has been widely consulted on internally with key teams including Planning, Adult Social Care, Children's Integrated Services, Public Health, Carbon Reduction and Energy Projects and Safer Housing throughout 2023 as it has been developed.

14. Overview of the plan for the public consultation

- **14.1** The purpose of the draft Housing Strategy's public consultation is to ensure that the public and organisations who will be impacted by the commitments made in the Strategy have the opportunity to provide their views and feedback, which can then be considered in the final drafting of the Strategy.
- **14.2** An online survey will be the key consultation tool, which will be hosted on the Engage Nottingham Hub. It is proposed that this consultation does not incur any non-essential spend, therefore, any in-person engagement will be conducted through already planned partner and public meetings. The Council will seek to establish if there are any potential sponsorship opportunities to help finance consultation and engagement.
- **14.3** The survey will be promoted proactively to both organisations and citizen groups. Contacts within organisations will be sent a toolkit to support them to further promote the consultation across their organisation.

14.4 The proposed audiences for the consultation are:

- Citizens
- Representatives
 - City Councillors
 - o MPs
 - Nottinghamshire County Council
 - o East Midlands Councils
- Council colleagues
 - Children and Adults (People Department)
- Housing partner organisations
 - Social Housing Providers
 - Private Landlords and Letting Agents
 - Developers
 - Local Universities
 - o East Midlands Mayoral Combined County Authority
 - Homes England
- Other organisations
 - Third sector representatives
 - o NHS
 - Disability groups
 - o Faith and community groups
 - Shadow Combined Authority
 - Homes England
 - Regulator for Social Housing
 - o Department for Levelling Up, Housing and Communities
 - Energy agencies

14.5 Key Stakeholder engagement

All	Engage Nottingham Hub and corporate channelsDirect mail
Citizens	 Neighbourhood channels Leaders Update Housing Services - Tenant and Leaseholder Involvement Team Social Housing Providers tenant channels Nottingham Renters Internal Staff Engagement Child Friendly Nottingham
Social Housing Providers	Nottingham NouseDirect stakeholder engagement
Landlords and Agents	Nottingham NouseLandlord NewslettersNottingham Renters

Health, Social Care
and Specialist
Services

- Internal channels
- Direct mail to external services

14.6 Supporting materials

- Online survey (https://www.nottinghamcity.gov.uk/engage-nottingham-hub/)
- Communication plan
 - Web page
 - o Press release
 - Social media
- Stakeholder communication toolkit

14.7 Additional public engagement on housing topics

The Housing Strategy sits above several other strategies and polices, all of which will have had their own public engagement whose feedback has been incorporated into the development of the Housing Strategy.

- Housing Services engagement with tenants and leaseholders
- Private sector housing licensing
- Homelessness and Rough Sleeping