

Subject: Affordable Housing Strategy 2006-2008 **Status:** For Publication

Report to: Cabinet

Date: 13th December 2006

Report of: Head of Economic Regeneration & Strategic Housing

Portfolio

Holder: Cabinet Member for Regeneration

Key Decision: YES

Forward Plan

General Exception

Special Urgency

1. PURPOSE OF REPORT

- 1.1 To seek approval of the Affordable Housing Strategy 2006-2008.
- 1.2 To highlight the need for affordable housing within identified areas in Rossendale, and the options available for delivering affordable housing

2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report are linked to and support the following corporate priorities:

- ***Delivering Regeneration Across the Borough (Economy)***

The Affordable Housing Strategy and attached action plan will help generate awareness and increase the delivery of affordable housing for local people.

3. RISK ASSESSMENT IMPLICATIONS

- 3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

3.2 Strategic Risk

- Failure to approve this Strategy will result in fewer affordable homes being delivered within the Borough. This will be minimised through small external resources from the Housing Corporation that are bid for every 2

years and also utilising the small sums of Capital Receipts from the sale of Green Vale Homes stock as per the Transfer Agreement.

- Failure to approve the strategy will also leave the Council without an approved clear approach to affordable housing and a lack of guidance for developers. Again this can be minimised through existing planning policy but not resolved completely.
- The Council will not be able to deliver the 354 affordable housing units as identified within the Housing Needs & Market Assessment report 2005 up until 2010. It is however predicted that under current arrangements the Council could reduce the shortfall to 254 units by 2010 if this Strategy is not adopted.

4. BACKGROUND AND OPTIONS

- 4.1 The purpose of this report is to highlight to members that there are increasing problems for local communities within Rossendale to be able to afford to live within certain areas and to choose what type of housing they would like.
- 4.2 The average household income needed in Rossendale to be able to afford the average house price is over 4 times. The National average is 3-3.5 times your household income.
- 4.3 Within certain areas of Whitworth, Rawtenstall & Helmshore, households have to stretch their incomes 9 times to be able to afford a detached dwelling and in Whitewell it is more than 10 times your income.
- 4.4 The recent house price increases coupled with the fact that Rossendale have a low wage economy has widened the gap of affordability for some communities within Rossendale, and is meaning that young people returning from university can not afford to live in the area they grew up in, and Rossendale are losing out on the skills they have developed at University because of this.
- 4.5 There are no specific options for members to consider as a result of the Affordable Housing Strategy and the associated Action Plan.

5. COMMENTS OF THE HEAD OF FINANCIAL SERVICES

- 5.1 There are no direct financial implications for Rossendale Borough Council resulting from the Affordable Housing Strategy or the associated Action Plan as external funding; Capital Receipts and planning gain will assist with the delivery of affordable homes.

6. COMMENTS OF THE HEAD OF LEGAL AND DEMOCRATIC SERVICES

- 6.1 In conjunction with this Affordable Housing Strategy, an updated Interim Housing Planning Guidance will provide clarity on the Councils position in relation to the delivery of affordable housing within the Borough.

7. COMMENTS OF THE HEAD OF HUMAN RESOURCES

- 7.1 There are no direct implications resulting from the Affordable Housing Strategy and the associated Action Plan, as existing officers are currently providing the time needed to implement the strategy.

8. CONCLUSION

- 8.1 Affordable housing is becoming an increasing problem for a lot of our communities in Rossendale and failure to address this issue through this Strategy and the recommendations set out below will only increase the exclusion gap further and condemn sections of our community to search for residential accommodation in cheaper areas outside of Rossendale.

9. RECOMMENDATION(S)

- 9.1 That Overview & Scrutiny Committee recommends approval of the affordable housing strategy 2006-2008 to Cabinet Committee in December 2006.
- 9.2 That Overview & Scrutiny Committee recommends approval of the targets set within the Action Plan of the Affordable Housing Strategy 2006-2008 to Cabinet Committee in December 2006.

10. CONSULTATION CARRIED OUT

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| 10.1 | Green Vale Homes | Harvest Housing Group | Northern Counties HA |
| | Irwell Valley HA | Places for People | Ashiana HA |
| | West Pennine HA | Anchor Housing Trust | Housing 21 |
| | Government Office North West (GONW) | Development Control (RBC) | Forward Planning (RBC) |
| | LSP Executive | LSP Housing Theme Group | Rossendale Youth Housing & Support Group |
| | Burnley BC | Hyndburn BC | Pendle BC |
| | Ribble Valley BC | Blackburn with Darwen Council | Local Estate Agents |
| | Housing Corporation | North West Regional Assembly | Senior Management (RBC) |
| | RBC Elected Members | North West Development Agency | Hurstwood Development |
| | B&E Boys | Chorley Homes | Seddon Homes |
| | Morris Homes (North West) | Westbury Homes | Wilbraham & Co Solicitors |

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| Background Papers | |
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| Document | Place of Inspection |
| Housing Needs & Market Assessment 2005 | http://www.rossendale.gov.uk/site/scripts/download_info.php?fileID=13 |