

**MIDDLESBROUGH COUNCIL**

**EXECUTIVE REPORT**

**Service Response to the Scrutiny Report on Social Housing in Middlesbrough**

**Executive Member for Regeneration and Economic Development:  
Councillor Charles Rooney**

**Director Of Regeneration: Kevin Parkes**

**26<sup>th</sup> April 2011**

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**PURPOSE OF THE REPORT**

1. The purpose of this report is to provide the Regeneration Department's response to the Economic Regeneration and Transport Scrutiny Panel's final report on social housing in Middlesbrough.

**SUMMARY OF RECOMMENDATIONS**

2. It is recommended that the Executive endorses the attached Action Plan at Appendix 1.

**IF THIS IS A KEY DECISION WHICH KEY DECISION TEST APPLIES?**

- |    |  |   |
|----|--|---|
| 3. | It is over the financial threshold (£75,000)   | x |
|    | It has a significant impact on 2 or more wards | ✓ |
|    | Non Key  | x |

**DECISION IMPLEMENTATION DEADLINE**

4. For the purposes of the scrutiny call in procedure this report is

Non-urgent	✓
Urgent report	x

If urgent please give full reasons

## **BACKGROUND AND EXTERNAL CONSULTATION**

5. The Economic Regeneration and Transport Scrutiny Panel investigated social housing in Middlesbrough and scrutinised a number of areas, highlighted below at paragraph 6, between July 2010 and February 2011.
6. The Scrutiny investigation focused upon:
  - a) the impact, welfare and availability of social housing on tenants of Middlesbrough following the stock transfer of homes to Erimus Housing in 2004;
  - b) how social housing is currently provided in Middlesbrough and to establish the level of demand and availability;
  - c) the potential impact of the proposed cuts in housing benefit on Middlesbrough tenants coupled with reductions in the funding used to provide homelessness prevention services;
  - d) how applicants for social housing are prioritised and subsequently allocated vacant properties within Middlesbrough; and,
  - e) the work being undertaken by the Council and its partners to increase the supply of affordable housing with specific regard to meeting the needs of an ageing population.
7. The process included presentations, verbal evidence, a roundtable discussion and the presentation of reports. Representatives from external agencies were invited along to share their views. This included Fabrick Housing Group, Endeavour Housing, Erimus Housing, the Homes and Communities Agency, Community Campus and My Sister's Place.

## **IMPACT ASSESSMENT (IA)**

8. This report contains a number of recommendations included in the Action Plan at Appendix 1 which will be taken forward by the Strategic Housing Service. Where actions require the development of policies, or review of strategies, Impact Assessments will be completed at the time that any relevant Executive Report is prepared.

## **SCRUTINY PANEL CONCLUSIONS AND RECOMMENDATIONS**

9. The Panel's conclusions were positive and acknowledged the success of the housing stock transfer and the fact that all 75 promises to tenants had been fulfilled. It also acknowledged the impact that the recession, rising unemployment and difficulty in accessing mortgage finance will have upon the housing market as well as the implications of future cuts in housing benefit.
10. It recognised the growing importance of intermediate housing products in light of significant cuts to the National Affordable Homes Programme and the need for the

Council to maximise the use of S106 agreements, to contribute land at nil cost and to use income generated from the New Homes Bonus to invest in the delivery of affordable homes. Also, that demand for social housing in Middlesbrough is currently high and that by increasing the number of empty homes brought back into use will help to alleviate the high level of demand for social housing within the town.

11. In addition, the high standard of the Council's Homelessness Service provision and the significant reduction in homelessness acceptances since stock transfer were acknowledged. The success of the enabling role of the Council was recognised in bringing forward initiatives such as the Sanctuary Scheme and this, in particular, was highlighted. However, the Panel expressed concern at the high numbers of people presenting themselves as homeless, with particular concern around the number of young people being asked to leave the parental home and the placing of young people in temporary accommodation.
12. The Panel views the Older People's Housing Strategy as clearly setting out the housing needs of older people in Middlesbrough but feels that an update or refresh of the Strategy needs to be carried out. It acknowledged that in the current economic climate that the likelihood of securing the level of funding needed to develop an extra care facility similar to Pennyman House was remote and as such new models of provision or conversions should be considered.
13. The Panel's recommendations are set out in Appendix 1 along with the service area's proposed actions in response to these recommendations in the form of an Action Plan.

## **FINANCIAL, LEGAL AND WARD IMPLICATIONS**

### **Financial Implications**

14. The actions identified in response to the recommendations of the Scrutiny Panel in Appendix 1 will be undertaken within existing staffing and budgetary resources. Some of the actions outlined in the Older People's Housing Strategy will however provide a potential budgetary pressure but any costs that subsequently arise will be highlighted at the time and discussed with colleagues in Strategic Finance and in addition, through budget clinic. A separate report is to be presented to the Executive Member for Regeneration and Economic Development on the delivery of affordable homes and will highlight the potential financial implications to the Council.

### **Ward Implications**

15. Social housing is spread across all wards of Middlesbrough and many of the actions identified in Appendix 1, in response to the Panel's recommendations, will impact across the whole of the town.

### **Legal Implications**

16. There are no foreseeable legal implications. However, the appropriate advice will be sought from Legal Services at the time, should the need arise.

## **SCRUTINY CONSULTATION**

17. The Economic Regeneration and Transport Scrutiny Panel has recently undertaken an in depth investigation into social housing in Middlesbrough and this report and Action Plan (Appendix 1) are in response to the conclusions and recommendations that have been made by the Panel.

## **RECOMMENDATIONS**

18. It is recommended that Executive endorses the Action Plan at Appendix 1.

## **REASONS**

19. The Scrutiny Panel's recommendations have been considered fully and have been developed into an Action Plan (Appendix 1) which will ensure that the issues highlighted by the Panel will be addressed in a timely manner.

## **BACKGROUND PAPERS**

20. The following background papers were used in the preparation of this report:

The Economic Regeneration and Transport Scrutiny Panel's Final Report on Social Housing in Middlesbrough. March 2011.

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