



## CABINET

Tuesday 2 February 2021

### HOUSING DEVELOPMENT STRATEGY 2020/24

#### EXECUTIVE SUMMARY

1. At its meeting on 24 September 2020, the Scrutiny Committee received a requested report to update it on East Suffolk Council's Housing Development Strategy. The report, which was presented by the Cabinet Member with responsibility for Housing and the Head of Housing, focussed on how the Council intended to identify and obtain both suitable housing land and dwellings to purchase to help meet the target of 50 Council homes per annum.
2. Having considered and questioned the report, the Scrutiny Committee wished to submit constructive recommendations to Cabinet with the aim of assisting the Council to meet this target.

Is the report Open or Exempt?	Open
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<b>Wards Affected:</b>	All
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<b>Report of:</b>	Councillor Stuart Bird Chairman of the Scrutiny Committee
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<b>Supporting Officer:</b>	Katherine Abbott Democratic Services Officer <a href="mailto:Katherine.abbott@eastsoffolk.gov.uk">Katherine.abbott@eastsoffolk.gov.uk</a>
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## 1 INTRODUCTION

- 1.1 The Council's Housing Development Strategy 2020/24 (the Strategy) was approved by Cabinet at its meeting on 7 January 2020 (report ES/0240 refers) (the Cabinet Report) The Strategy was created to provide structure to the Council's intention to build new Council homes and redevelop existing housing stock. The Strategy set out the approach which the Council will take to help achieve its objectives and bring transparency to the process.
- 1.2 In recognition of the Council's declaration of a climate emergency in July 2019, the Strategy also addressed issues of sustainability and the environment.
- 1.3 At the Scrutiny Committee meeting held on 24 September 2020, a report was received (report ES/0504) (the Scrutiny Committee report) which provided an update on the Strategy. The Scrutiny Committee report set out how the Strategy intended to identify and obtain both suitable housing land and dwellings to purchase to meet the target set in the Housing Revenue Account (HRA) Business Plan that funds the building of 50 new homes each year. The Strategy also outlined the proposed preparation of a three-year rolling development programme for new council housing to meet this target.
- 1.4 The Scrutiny Committee Report advised of the projected 'pipeline' of 150 units to be delivered across the new build and redevelopment programme. Of these, 60 had already received planning permission and, therefore, the certainty of them being built was significantly increased. As with all development, the report noted that until planning permission had been secured, there was a risk of some of the other schemes not coming to fruition. Consequently, the Development Team, set up by the Council to implement this aspect of the Strategy, was continuing to find new sites and partners to help achieve the HRA Business Plan target.
- 1.5 The Strategy recognised that further property acquisitions could provide redevelopment opportunities that may deliver more new homes and had the potential to bring wider social benefit to an area. Redevelopment of acquired or existing properties was identified in the Strategy to deliver an additional 30 units a year by 2021.
- 1.6 Land acquisition is acknowledged as a means of delivering new homes in the district to help meet the housing target. The Council is exploring the potential of land acquisition to contribute to the supply of new council housing, as well as actively acquiring land on the open market, and in partnership with other third parties, to ensure that homes can be provided where they are needed.
- 1.7 At the meeting of the Scrutiny Committee held on 24 September 2020, it was noted that currently, there was a limited number of staff able to work on the Strategy's ambitions; such as what opportunities there were for new builds and conversions, how existing assets were performing, as well as what strategic acquisitions could be made. The Scrutiny Committee also noted the wish to increase numbers in the team to fulfil and, if possible, exceed the Strategy's current targets for the duration of the HRA business plan.
- 1.8 Given the importance of the Strategy, the need for new build, and the aspiration of building 50 new homes per annum, the Scrutiny Committee was very interested to be kept apprised of progress against this target. One of its recommendations to Cabinet, below, was to receive a written report from the Cabinet Member with responsibility for Housing at its meeting in September 2021 about progress to date.
- 1.9 Following the discussion of the Scrutiny Committee report, an interesting area for consideration was that of modular construction (*this being a prefabricated construction that consists of repeated sections called modules. Modularity involves constructing*

*sections away from the building site, then delivering them to the intended site. Installation of the prefabricated sections is then completed on site).*

- 1.10 At the meeting on 24 September 2020, in response to a question from the Chairman about the possibility of modular builds being explored for the construction of some of the annual new build target, the Head of Housing had stated that this was part of the Strategy's considerations but modular builds were not always suitable or right for some locations.
- 1.11 The Scrutiny Committee noted that the Strategy referenced the Council's wish to explore the use of greener building technologies and innovative design ideas. It was informed of an engagement event to be held at the end of October with the aim of investigating possible models for greener housing developments.
- 1.12 The Scrutiny Committee acknowledged that sustainable development by the Council would also be a significant contributor to the Council achieving its pledge to be carbon neutral by 2030; the Committee considered that energy efficient properties contributed to the lowering of the carbon footprint of East Suffolk communities. It also acknowledged that energy efficient properties would offer tenants reduced fuel bills. It was therefore considered that sustainable development – such as modular builds – offered lasting environmental, social, and economic benefits.
- 1.13 Therefore, the Scrutiny Committee wished to include a recommendation about the exploration of the use of modular construction by the Council. Please see below.

## **2 HOW DOES THIS RELATE TO THE EAST SUFFOLK STRATEGIC PLAN?**

- 2.1 The development of new homes for our community meets two of East Suffolk's Strategic Plan's objectives - Growing Our Economy and Caring for Our Environment
- 2.2 The Strategy seeks to meet these objectives as well as those stated in the Housing Development Strategy to help deliver good quality affordable homes that improve living conditions for members of the community.
- 2.1 In making its recommendation to Cabinet, the Scrutiny Committee seeks to offer a constructive suggestion to help meet the Strategy's target.

## **3 FINANCIAL AND GOVERNANCE IMPLICATIONS**

- 3.1 These were provided in paragraph 4 of the Cabinet Report. In summary, no financial implications were identified with the adoption of the Strategy; resources to ensure the delivery of the Strategy's targets were considered; a comprehensive financial viability assessment would be required for each proposed development to protect the Council's interests; a corporate risk assessment for each proposed development would be required; and, Cabinet approval of any contract for each proposed development would be required.
- 3.2 The terms of reference of the Scrutiny Committee set out that it "*may make reports or recommendations to the Council or Cabinet.... in connection with the discharge of any functions*". The Council is a local housing authority, and the Strategy is one means by which the Council discharges its housing functions.
- 3.3 Further, paragraph 8.1 of the Scrutiny Procedure Rules (SPRs) says that where the Scrutiny Committee makes a report or recommendation to the Cabinet, it may publish that report or recommendation, and must by notice in writing require the Cabinet to consider the report or recommendation. Also, for the Cabinet to respond to the Scrutiny Committee indicating what (if any) action the Cabinet proposes to take. The Scrutiny Committee hereby respectfully gives notice that it would like the Cabinet to consider its

recommendations, below, and to respond, indicating what action, if any, the Cabinet intends to take. In accordance with the Council's Constitution, the Cabinet should respond within two months of receiving the report or recommendations from the Scrutiny Committee.

#### **4 OTHER KEY ISSUES**

- 4.1 An Equality Impact Assessment (EIAs) has not been completed for this report as it is in response to two previous formal reports (one to Cabinet and one to Scrutiny Committee) which had included EIAs.

#### **5 CONSULTATION**

- 5.1 None. The Scrutiny Committee noted that the Cabinet report had been prepared following consultation with the Council's Planning and Asset Management teams

#### **6 OTHER OPTIONS CONSIDERED**

- 6.1 None.

#### **7 REASON FOR RECOMMENDATIONS**

- 7.1 The Scrutiny Committee welcomed the aspirational target to build 50 Council homes per annum. In considering the Strategy and this target, the Scrutiny Committee was interested in the concept of modular construction and wished the Cabinet to consider its use. It has made recommendations to Cabinet, therefore, in accordance with SPR 8.1, and wishes the Cabinet to consider these. In making its recommendation to Cabinet, the Scrutiny Committee seeks to offer a constructive suggestion to help meet the Strategy's target.

#### **RECOMMENDATIONS**

1. That, whilst bearing in mind the limited resources available, the Scrutiny Committee encourages Cabinet to explore the potential for modular construction (carbon neutral where possible) on appropriate sites at the earliest realistic opportunity.
2. That Cabinet provides the Scrutiny Committee with a formal, written response to recommendation 1, above.
3. That a written update on progress against the target of 50 homes per annum be provided by the Cabinet Member for Housing to the Scrutiny Committee in September 2021

#### **APPENDICES**

<b>Appendix A</b>	Response to the Scrutiny Committee recommendation to Cabinet September 2020
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## BACKGROUND PAPERS

Please note that copies of background papers have not been published on the Council's website [www.eastsuffolk.gov.uk](http://www.eastsuffolk.gov.uk) but copies of the background papers listed below are available for public inspection free of charge by contacting the relevant Council Department.

Date	Type	Available From
	None, save those referenced within this report	<a href="http://www.eastsuffolk.gov.uk">www.eastsuffolk.gov.uk</a>