

---

---

<b>REPORT TO:</b>	<b>Housing and Community Services Committee</b>	<b>AGENDA ITEM: 9</b>
<b>DATE OF MEETING:</b>	<b>16<sup>th</sup> October 2008</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>Director of Community Services)</b>	<b>OPEN:</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>Beverly Wagstaffe (07976 081933)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>District Strategic Housing Market Assessment</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>All</b>	<b>TERMS OF REFERENCE: HCS01</b>

---

---

## **1.0 Recommendations**

- 1.1 Members note the net shortfall of 396 affordable homes per year.
- 1.2 Members agree to the Core Strategic Housing Group monitoring the supply of affordable homes, with an annual report to this Committee.

## **2.1 Purpose of Report**

- 2.1 To inform Members of the key findings of the District Housing Market Assessment.

## **3.0 Detail**

- 3.1 The draft Regional Spatial Strategy determines a Derby Housing sub-market based on the local authority areas of Derby, Amber Valley and South Derbyshire.
- 3.2 In January 2006 Members of the Housing and Community Services committee agreed to working in partnership with Derby City and Amber Valley Borough Council to research the housing needs across the Derby sub-region. This comprises of two levels of research – a District Strategic Housing Market Assessment and an over-arching Derby Sub-Region Strategic Housing Market Assessment. The District research is now complete and is the subject of this report. The sub-regional research is due to be completed later in 2008.
- 3.3 The District Strategic Housing Market Assessment has been prepared by Bob Line Consultants. The Core Strategic Housing Group of the Council (a joint group of officers and five members) has already considered this assessment and made amendments to some of the conclusions drawn from the research. A copy of the amended executive summary is attached. See Annexe A.
- 3.4 Whilst South Derbyshire is mainly rural in character it also has an urban area around Swadincote with links to Burton upon Trent and the area in the north of the district is impacted by potential growth from Derby City. Hence to assist with an understanding of how the housing market operates in the district the research has considered four sub-areas. A map showing how these areas are divided can be seen on page 1 of the executive summary, Annexe A.

- 3.5 The research concludes that the overall shortfall in affordable housing is some 396 homes per year i.e. there is a gap of 396 homes a year between current supply and current and projected need. The need is higher in the north of the district around the Derby fringe with a suggested tenure split of 60% social rent and 40% intermediate. The need in the south of the district is lower, however, there is a much higher need for social rented at around 90% with 10% being intermediate.
- 3.6 Current guidance recommends that districts should monitor against delivering the shortfall in numbers of affordable housing rather than focus on achieving a fixed percentage of affordable housing on all sites. Hence, taking into account the economic viability of sites, the actual percentage of affordable homes, which can be delivered on sites, will vary. However, to help Members focus on the challenge, which this Council faces, 396 represents approximately 62% of the number of new homes proposed in the draft Regional Spatial Strategy.
- 3.7 Members should note that this is a piece of research and should not be taken as policy. It is the role of the forthcoming Local Development Framework to set the policy context for meeting the shortfall identified.
- 3.8 Members should also note that this research is based on data collected prior to the current “credit crunch” and crisis in the housing market. It is likely that the current shortfall in affordable homes is slightly worse than the figures reported above. The sub-regional assessment due later in the year will be based on more recent data and will give an insight into the state of current housing market.
- 3.9 Pending the Local Development Framework officers will endeavour to maximise opportunities to meet the shortfall in affordable homes. However, in doing so officers will take into account of the economic viability of sites as well as the need for balanced mixed communities and other environmental factors.
- 3.10 Regularly reviewing the actual number of affordable homes against the shortfall will be key to ensuring that the Council makes the right housing policy decisions in order that housing needs are met. The recent Best Value Inspection in Strategic Housing Services highlighted the need to monitor more effectively the delivery of affordable homes. Hence, it is proposed that the Core Strategic Housing Group monitor the supply of new affordable homes with an annual report to this Committee.

#### **4.0 Financial Implications**

- 4.1 None.

#### **5.0 Corporate Implications**

- 5.1 This partnership fits within the Corporate Plan, Community Strategy and Housing Strategy.

#### **6.0 Community Implications**

- 6.1 If people cannot afford to rent or buy a home in a place where we want to live and work this is likely to have implications for achieving prosperous, inclusive, sustainable communities.