

<b>DECISION-MAKER:</b>	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE		
<b>SUBJECT:</b>	HOUSING STRATEGY 2016 – 2025 “NEW AND BETTER HOMES FOR ALL”		
<b>DATE OF DECISION:</b>	21 NOVEMBER 2024		
<b>REPORT OF:</b>	EXECUTIVE DIRECTOR – RESIDENT SERVICES		
<b><u>CONTACT DETAILS</u></b>			
<b>Executive Director</b>	<b>Title</b>	<b>Executive Director – Resident Services</b>	
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<b>STATEMENT OF CONFIDENTIALITY</b>			
N/A			
<b>BRIEF SUMMARY</b>			
<p>This report details actions that are being taken to meet the ambitions outlined in Southampton City Council’s Housing Strategy - <a href="#">“New and better homes for all”</a>. Reflecting the content of the reports scheduled for consideration at Cabinet on 26<sup>th</sup> November 2024, the focus is on those matters relating to working with landlords in the private rented sector and meeting the key responsibilities of the Housing Act 1996 relating to the quality and provision of emergency accommodation for households presenting as homeless.</p> <p>Appended to this report are the following draft reports that will be determined by Cabinet on 26 November 2024:</p> <ul style="list-style-type: none"> <li>• Response to the Private Rented Sector Housing Scrutiny report - How can we get a better deal for private sector renters in Southampton?</li> <li>• Additional licensing scheme for Houses in Multiple Occupation</li> <li>• Private Sector Leasing Scheme.</li> </ul> <p>In addition, at the request of the Chair, the following report that was approved by Cabinet on 29 October 2024 has also been appended:</p> <ul style="list-style-type: none"> <li>• Council Right to Buy Receipt proposals and approval to spend.</li> </ul>			
<b>RECOMMENDATIONS:</b>			
	(i)	That, within the context of the ambitions outlined in the Council’s Housing Strategy, the Committee discuss the items scheduled for decision at the 26 November meeting of Cabinet to highlight any matters which Members feel should be taken into account by the Executive when reaching a decision.	
<b>REASONS FOR REPORT RECOMMENDATIONS</b>			
1.	To enable Members to identify any matters which they feel Cabinet should take into account when reaching a decision.		
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>			
2.	None.		

<b>DETAIL (Including consultation carried out)</b>	
3.	The Housing Strategy 2016-2025 sets out the clear ambition for “New and better homes for all” and recognises the importance of good quality, affordable and sustainable housing as an essential platform for the future of the city to support economic growth, develop strong, resilient neighbourhoods and meet the needs of a diverse community.
4.	<p>The strategy recognises the importance of the private rented stock across the city and is specific in committing to working with landlords to improve standards of private rental properties and to regulate properties in the private rented sector. To progress this work in 2023/24 a Scrutiny Inquiry Panel was formed to identify opportunities to improve outcomes for private sector renters in Southampton. The objectives of the Inquiry were:</p> <ol style="list-style-type: none"> <li>a. To identify the challenges and concerns of private sector renters in Southampton.</li> <li>b. To understand existing plans and opportunities to address the identified challenges.</li> <li>c. To identify good practice being employed to get a better deal for private sector renters in the UK and beyond.</li> <li>d. To identify what initiatives and approaches could work well in Southampton to improve outcomes for private sector renters.</li> </ol>
5.	<p>The Inquiry Panel made 10 recommendations to improve the conditions and standards for private sector renters in Southampton through effective enforcement, the full response is set out in Appendix 1 and 1a and relates to the following objectives:</p> <ul style="list-style-type: none"> <li>• To help target enforcement action and facilitate the future use of available enforcement tool.</li> <li>• To implement the pyramid of responsive regulation approach.</li> <li>• To provide transparency to the Council’s approach, utilise available expertise, and demonstrate political commitment.</li> </ul> <p>As set out in Appendix 1 and 1a, the Executive supports all of the recommendations contained within the inquiry report.</p>
6.	To support the commitment to regulate the private rented sector, Cabinet will be asked to consider whether to initiate a twelve-week public consultation on the proposals to designate an additional HMO licensing scheme (Appendix 2). This is a statutory public consultation, and the representations made during the consultation period must be considered before any decision is made on designation of the proposed area. The proposed scheme must be consistent with the Councils housing strategy and the council must adopt a coordinated approach in connection with dealing with homelessness, empty properties, and anti-social behaviour.
7.	The proposed new scheme would see between 2500-3000 smaller HMOs and HMOs within private purpose-built student accommodation blocks be subject to HMO licensing. In addition to the mandatory HMO licensing scheme this would result in approximately 5000 of the cities estimated 6-7000 HMOs being under a licensing regime.

8.	The consultation, if approved by Cabinet, will be widely distributed and will include landlords, letting agents, residents and tenant groups, local and national landlord associations, the Universities, local agencies & charities involved in housing and public safety, Hampshire Constabulary and Hampshire & Isle of Wight Fire & Rescue Service. Cabinet would then review the feedback from this consultation exercise and consider how to proceed in March 2025.
9.	The Housing Strategy also recognises the basic need to provide more housing as demand grows to meet the statutory duties of the Housing Act 1996 which can be broadly categorised as: <ul style="list-style-type: none"> <li>• allocating social housing</li> <li>• providing housing information and advice</li> <li>• preventing and resolving homelessness.</li> </ul>
10.	Southampton currently faces a significant housing crisis, with over 8,000 households on the housing register and a sharp increase in homelessness, with many families in temporary or emergency accommodations like Bed & Breakfasts (B&B).
11.	This situation is costly for the council and has detrimental effects on the wellbeing of families. The demands on the provision of emergency accommodation has risen significantly since the strategy was adopted in 2016, most significantly since 2019-2020. The number of homeless households approaching the council has increased by 64%, with a further 14% rise in the past 12 months. This escalation, compounded by economic disruptions, has resulted in a 61% increase in households requiring emergency accommodation.
12.	This increase in demand, shows no sign of slowing, and has a significant impact on the council's approach and ability to prevent homelessness, and meet urgent need. The demand is driven by the economic factors leading to increased cost of housing and leaving households more vulnerable to homelessness since the end of the Covid pandemic. This is a trend being experienced across the country. The increased demand has meant that the council has had to address how it meets the needs, as the existing model is unaffordable with current financial constraints.
13.	The immediate steps that the Council are taking to support better actions to prevent homelessness and provide more secure and better-quality emergency housing include: <ul style="list-style-type: none"> <li>• The "Prevention Better than Cure" programme aims to transform the delivery of homelessness services by the Council. The initiatives include proactive and preventative approaches, enhanced access to information and support and a review of our front door and people centred services.</li> <li>• Property acquisition using Right to Buy receipts</li> <li>• Introduction of a Private Sector Leasing Scheme</li> <li>• Utilisation of decommission properties from Landlord stock.</li> </ul>

14.	To deliver on these actions Cabinet has considered how Southampton City Council can use up to £5m of the Right to Buy receipts collected in 2019/20 on a pilot programme of property purchases under the temporary flexibilities granted by Government during the 2024/25 and 2025/26 financial year (Appendix 3). The report, that was approved at the 29 October meeting of Cabinet, provides a proposal regarding the use £5m of Right to Buy (RTB) receipts for Southampton City Council to acquire properties by the end of March 2025. The Government has introduced temporary flexibilities for the use of RTB receipts during 2024-2026, allowing local authorities to cover 100% of the costs of replacing affordable housing. Southampton City Council aims to take advantage of these flexibilities to run a pilot project to acquire approximately 24 properties to help address the city's housing needs.
15.	If successful, this pilot programme could lead to further acquisitions and long-term savings. By reducing the use of emergency accommodation and expanding affordable housing stock, the initiative aims to improve housing availability and reduce the financial strain on the council. If unspent, these funds would need to be returned to the government with interest.
16.	In addition to this the Council is proposing to set up a Private Sector Leasing Scheme (PSL) which will involve the Council leasing properties directly from property owners or letting agents and using them as temporary accommodation for individuals or households who are currently placed in nightly paid accommodation which is funded by the Council. Implementing the PSL scheme is an additional housing solution that is expanding our housing options by bringing into use accommodation that is currently unavailable to us. None of our current initiatives offer a comprehensive housing management service, and this scheme will complement wider service transformation activities and help alleviate homelessness pressures in terms of both demand and cost, full details are set out at Appendix 4.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
17.	Draft Cabinet reports relating to the issues identified above have been appended to this report. Final details are set out in the Executive decision making report issued prior to the decision being taken.
<b><u>Property/Other</u></b>	
18.	Draft Cabinet reports relating to the issues identified above have been appended to this report. Final details are set out in the Executive decision making report issued prior to the decision being taken.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
19.	The duty to undertake overview and scrutiny is set out in Part 1A Section 9 of the Local Government Act 2000.
<b><u>Other Legal Implications:</u></b>	
20.	Draft Cabinet reports relating to the issues identified above have been appended to this report. Final details are set out in the Executive decision making report issued prior to the decision being taken.

<b>RISK MANAGEMENT IMPLICATIONS</b>	
21.	Draft Cabinet reports relating to the issues identified above have been appended to this report. Final details are set out in the Executive decision making report issued prior to the decision being taken.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
22.	Draft Cabinet reports relating to the issues identified above have been appended to this report. Final details are set out in the Executive decision making report issued prior to the decision being taken.
<b>KEY DECISION</b>	No
<b>WARDS/COMMUNITIES AFFECTED:</b>	None directly as a result of this report
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Appendices</b>	
1.	Private Sector Renting Scrutiny Inquiry – Draft Cabinet response covering report
1a.	Private Sector Renting Scrutiny Inquiry – Draft Cabinet response to recommendations
2.	Additional Licensing Schemes for HMOs – Draft Cabinet report
3.	Council Right to Buy Receipt proposals and approval to spend – 29 October Cabinet report
3a.	Letter from MHCLG
3b.	What right to buy receipts can be spent on
3c.	Council Right to Buy Receipt proposals and approval to spend – ESIA
4.	Private Sector Leasing Scheme – Draft Cabinet report
4a.	Private Sector Leasing Scheme – Financial information
4b.	Private Sector Leasing Scheme – ESIA
<b>Documents In Members’ Rooms</b>	
1.	None
<b>Equality Impact Assessment</b>	
Do the implications/subject of the report require an Equality and Safety Impact Assessments (ESIA) to be carried out?	Identified in Executive report
<b>Data Protection Impact Assessment</b>	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out?	Identified in Executive report
<b>Other Background Documents</b> <b>Equality Impact Assessment and Other Background documents available for inspection at:</b>	

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	<a href="#">Southampton City Council Housing Strategy 2016-2025</a>