

To: Members of the Policy Committee

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18 September 2020

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**NOTICE OF MEETING - POLICY COMMITTEE 28 SEPTEMBER 2020**

A meeting of the Policy Committee will be held on Monday, 28 September 2020 at 6.30 pm in the via Microsoft Teams. The Agenda for the meeting is set out below.

1. CHAIR'S ANNOUNCEMENTS
2. DECLARATIONS OF INTEREST
3. MINUTES 5 - 10
4. PETITIONS AND QUESTIONS  
  
To receive any petitions from the public and any questions from the public and Councillors.
5. DECISION BOOKS 11 - 12
6. SUPPORTING READING'S ECONOMIC RECOVERY AND RENEWAL BOROUGH WIDE 13 - 34  
  
This report outlines the current economic situation in Reading as a result of the COVID-19 pandemic and the initial and ongoing response from the Council.
7. HOUSING STRATEGY FOR READING 2020 - 2025 AND READING'S PREVENTING HOMELESSNESS STRATEGY 2020 - 2025 BOROUGH WIDE 35 - 144  
  
This report sets out and seeks approval for the Housing Strategy for Reading 2020-2025 and Reading's Preventing Homelessness Strategy 2020-2025.

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<b>8.</b>	<b>PLANNING WHITE PAPER AND OTHER NATIONAL PLANNING CHANGES</b>	<b>BOROUGH WIDE</b>	<b>145 - 184</b>
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This report sets out for approval proposed responses to government consultations on the Planning White Paper and other changes to the planning system.

<b>9.</b>	<b>DRAFT AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT</b>	<b>BOROUGH WIDE</b>	<b>185 - 240</b>
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This report seeks approval to undertake community involvement on a Draft Affordable Housing Supplementary Planning Document.

#### **ITEMS FOR CONSIDERATION IN CLOSED SESSION**

##### **10. EXCLUSION OF THE PRESS AND PUBLIC**

The following motion will be moved by the Chair:

“That, pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of the following items on the agenda, as it is likely that there would be disclosure of exempt information as defined in the relevant Paragraphs of Part 1 of Schedule 12A (as amended) of that Act”

##### **11. DECLARATIONS OF INTEREST FOR CLOSED SESSION ITEMS**

<b>12.</b>	<b>DIGITAL FUTURES FOUNDATIONS (ICT FUTURE OPERATING MODEL) UPDATE</b>	<b>BOROUGH WIDE</b>	<b>241 - 246</b>
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<b>13.</b>	<b>ASSET DISPOSAL UPDATE - CENTRAL CLUB</b>	<b>KATES GROVE</b>	<b>247 - 254</b>
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#### **ITEM TO BE CONSIDERED BY THE COMMITTEE ACTING AS SOLE MEMBER OF BRIGHTER FUTURES FOR CHILDREN**

<b>14.</b>	<b>BRIGHTER FUTURES FOR CHILDREN LIMITED - RESERVED MATTERS</b>	<b>BOROUGH WIDE</b>	<b>255 - 260</b>
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**Present:** Councillor Brock (Chair);  
 Councillors Duveen, Emberson, Ennis, Hoskin, Page, Stanford-Beale, Stevens, Terry and White

### RESOLVED ITEMS

#### 33. EXCLUSION OF THE PRESS AND PUBLIC

**Resolved -**

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of item 34 below as it was likely that there would be a disclosure of exempt information as defined in the relevant paragraphs specified in Part 1 of Schedule 12A to that Act.

#### 34. GREENWICH LEISURE LIMITED - FINANCIAL SUPPORT

The Executive Director of Economic Growth and Neighbourhood Services submitted a report with a confidential appendix in relation to the recommendation to provide financial support to Greenwich Leisure Limited (GLL) following a request for assistance from the Council relating to the impact of Covid-19.

**Resolved -**

That the information contained in Appendix A to the report be noted and taken into account in making a decision in regard to the Part 1 report 'Greenwich Leisure Limited - financial support (Minute 38 refers).

(Exempt information as defined in paragraph 3)

#### 35. MINUTES

The Minutes of the meeting held on 3 August 2020 were agreed as a correct record and would be signed by the Chair.

#### 36. QUESTIONS

Questions of the following matters were submitted by members of the public:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Tom Lake	Royal Berkshire Health Trust	Cllr Hoskin
2.	Jan Trchalik	Pension Investments	Cllr Brock

(The full text of the questions and responses were made available on the Reading Borough Council website).

## POLICY COMMITTEE MEETING MINUTES - 3 AUGUST 2020

Questions on the following matters were submitted by Councillors:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Cllr White	House Insulation	Cllr Hoskin
2.	Cllr White	Wokingham Road Pay & Display	Cllr Page

(The full text of the questions and responses were made available on the Reading Borough Council website).

### **37. CORONAVIRUS PANDEMIC - DELEGATIONS FOR LOCAL LOCKDOWNS**

The Assistant Director of Legal & Democratic Services submitted a report on the new powers which had been given to councils to assist with their response to the pandemic. The Health Protection (Coronavirus, Restrictions) (England) (No.3) Regulations 2020 came into force on 18 July 2020, which granted local authorities new powers to respond to a serious and imminent threat to public health and to prevent COVID-19 transmission where this was necessary. The implementation of measures should be proportionate to mitigate the spread of the coronavirus in the area. The report explained the powers granted by the new Regulations and recommended making delegations for their effective operation. The powers to be exercised by the Council would be delegated according to the table in section 4.1 of the report. In each case, the power to give a direction, would also include the power to review, revoke or replace the direction as envisaged by the Regulations. In cases where there were significant impacts for the borough, the relevant Lead Councillors would be consulted about the use of the powers.

**Resolved -**

**That the powers to direct under the Regulations, (including the power to review, revoke or replace the direction as envisaged by the Regulations) be delegated to the appropriate officers as follows:**

- (a) Regulation 4 (directions relating to individual premises) - delegation to the Executive Director of Economic Growth and Neighbourhood Services in consultation with the Director for Public Health;**
- (b) Regulation 5 (directions relating to events) - delegation to the Executive Director of Economic Growth and Neighbourhood Services in consultation with the Director for Public Health;**
- (c) Regulation 6 (directions relating to outdoor places) - delegation to the Executive Director of Economic Growth and Neighbourhood Services in consultation with the Director for Public Health;**
- (d) Regulation 12 (enforcement of requirements), (including (i) the power to designate officers for the purpose of the Regulations and (ii) the power to delegate authority to designated officers to issue prohibition notices) -**

delegation to the Executive Director of Economic Growth and Neighbourhood Services;

- (e) Regulation 14 (power to authorise persons to issue fixed penalty notices) - delegation to the Executive Director of Economic Growth and Neighbourhood Services; and
- (f) Regulation 15 (power to instigate prosecutions) - delegation to the Assistant Director of Legal and Democratic Services.

### **38. GREENWICH LEISURE LIMITED - FINANCIAL SUPPORT**

The Executive Director of Economic Growth and Neighbourhood Services and Executive Director of Resources submitted a report on a proposal to provide financial support to Greenwich Leisure Limited (GLL) following a request for assistance from the Council relating to the impact of Covid-19. The terms of the financial support were set out in paragraph 4.4 of the report.

The report explained that the Covid-19 pandemic and the Government's lockdown resulted in the temporary closure of Rivermead Leisure Centre. GLL was seeking financial support from partners in order to remain financially viable as its centres reopened to the public. The Rivermead Leisure Centre had reopened on 25 July 2020 and it was recommended that GLL should be provided with additional financial support up to a limit of £410k to secure the opening and continuation of their operation this financial year based on open book accounting. The Committee had received, in closed session of this meeting (Minute 34 refers), commercially sensitive information in relation to this decision.

**Resolved -**

**That the Executive Director of Economic Growth and Neighbourhood Services be authorised to provide financial support of a maximum of £410k to Greenwich Leisure Limited within the terms set out at paragraph 4.4 of the report to address the impact of COVID-19.**

### **39. GREENWICH LEISURE LIMITED - PLANNING COSTS AGREEMENT**

The Executive Director of Economic Growth and Neighbourhood Services submitted a report seeking permission to enter into a Planning Costs Agreement (PCA) with Greenwich Leisure Limited (GLL) to meet the proposed timetable to construct new leisure facilities at Rivermead Leisure Centre and Palmer Park Sports Stadium. The Council had authorised the award of a 25-year contract with GLL to design, build, operate and maintain (DBOM) the Council's four leisure centres; the contract included:

- A new-build solution at Rivermead, incorporating a new competition standard pool with provision for diving;
- A new community pool at Palmer Park linked to existing facilities;
- Improvements to existing leisure centres at South Reading and Meadway;

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- Introduction of membership and customer schemes allowing access to all Council facilities.

The Council had also delegated authority to the Executive Director for Economic Growth and Neighbourhood Services to finalise contractual arrangements in consultation with the Lead Councillor for Health, Wellbeing and Sport, the Assistant Director for Procurement and the Assistant Director for Legal and Democratic Services. The contractual discussions had been disrupted by the Covid-19 pandemic and the temporary closure of leisure facilities which had delayed the signing of the DBOM contract. In the interim, officers were seeking permission to enter into a separate PCA with GLL to progress the design and planning approval of the new build elements at Rivermead and Palmer Park. This would reduce the impact of the lost time due to Covid-19 on the implementation of the scheme, secure the intellectual property rights of the designs developed since the contract award and progress the scheme through to planning approval and up to signing the DBOM contract. A new timetable for both the signing of the DBOM contract with GLL and the construction of the facilities was set out in the report.

**Resolved -**

- (1) That the Executive Director for Economic Growth and Neighbourhood Services be authorised to enter into a Planning Costs Agreement (PCA) with Greenwich Leisure Limited (GLL) at a cost of £816k, in consultation with the Lead Councillor for Health, Wellbeing and Sport, the Assistant Director for Procurement and the Assistant Director for Legal and Democratic Services;
- (2) That the updated timetable to formally enter into a DBOM contract and construct the new facilities at Rivermead Leisure Centre and Palmer Park Sports Stadium be noted.

### **40. CONTRACT AWARD - EXTERNAL AND COMMUNAL MAINTENANCE CONTRACT 2020-2027**

The Executive Director of Economic Growth and Neighbourhood Services submitted a report seeking approval for the award of a 'works' contract for the provision of repairs and decorations to the external and communal elements of housing blocks containing both Council flats and leaseholders. The contract would relate to the repair and maintenance of the Council's Housing Stock and would be awarded to a single contractor. The expenditure would depend on the actual level of work that was required during the year. Based on expenditure records, the total expenditure was estimated to be around £560k per annum for both external and communal works, which would include the replacement of communal flooring.

**Resolved -**

**That the Director of Economic Growth and Neighbourhood Services be authorised, in consultation with the Lead Councillor for Housing, to award a**

**Works Contract for the External and Communal Maintenance Contract for a period of 5 years with a 2-year extension.**

**43. 2020/21 QUARTER 1 PERFORMANCE AND MONITORING REPORT**

The Executive Director of Resources submitted a report setting out the provisional revenue and capital outturn positions for the Council's General Fund and Housing Revenue Account as at the end of June 2020 (Period 3). These forecasts included the additional pressures arising as a result of Covid-19 and associated government funding. The report set out the projected revenue and capital outturn positions for 2020/21 for both the General Fund and the Housing Revenue Accounts. The forecast General Fund revenue outturn position as at the end of Quarter 1 was a £3.7m overspend. This forecast included gross revenue pressures of £22.139m arising as a direct result of Covid-19.

The Housing Revenue Account (HRA) was currently projecting an underspend of (£0.480m) as at the end of Quarter 1. The General Fund Capital Programme was forecast to underspend by (£105.523m). This was predominantly because the £80m budget for commercial property would not be used. The HRA Capital Programme was currently forecast to spend to budget. The combined gross revenue and capital pressures as a result of Covid-19 totalled £22.439m. This was partially offset by a total allocation (£9.775m) of Central Government general support grant and an estimated (£0.837m) furlough grant claim and an estimated (£6m) in income compensation. This gave a net projected pressure caused by Covid-19 of £5.827m.

Central Government had announced that it would compensate Local Authorities for 75% of qualifying lost income over and above 5% of 2020/21 income budgets for 2020/21 only. Whilst the Government had published the principles for eligible income compensation, the detailed guidance setting out exactly what income would qualify was still awaited, but it had been confirmed that income relating to commercial property investments would not be included. The current estimate was that up to (£6m) of income losses could be compensated, dependent upon the guidance, and subject to fluctuations in the level of lost income. Changes to this assumption and the impact on the forecast outturn position would be contained in future reports. The financial implications of Covid-19 would continue to be refined and reported on a monthly basis.

The report also set out performance against the measures of success published in the Council's Corporate Plan.

The draft report had the following documents appended:

- Appendix 1 - Financial Monitoring for Quarter 1;
- Appendix 2 - Performance Report for Quarter 1.

**Resolved -**

- (1) That it be noted that the forecast General Fund revenue outturn position as at the end of June 2020 was a net overspend of £3.700m, due to an overspend of £22.850m on services budgets mitigated by an underspend

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of £2.538m on corporate budgets and anticipated Government Covid-19 Grants of £16.612m which comprised £9.775m of received general support funding; an estimated £0.837m furlough claim and an estimated £6.000m income compensation claim;

- (2) That the Housing Revenue Account was forecast to underspend by £0.480m as at the end of June 2020 be noted;
- (3) That the General Fund Capital Programme was forecast to underspend by £105.523m and the HRA Capital Programme was forecast to spend to budget as at the end of June 2020 be noted;
- (4) That the performance achieved against the Corporate Plan success measures as set out in Section 11 and Appendix 2 of the report be noted.

(The meeting started at 6.30 pm and closed at 8.00 pm)



REPORT BY ASSISTANT DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES

<b>TO:</b>	POLICY COMMITTEE		
<b>DATE:</b>	28 SEPTEMBER 2020		
<b>TITLE:</b>	DECISION BOOKS		
<b>LEAD COUNCILLOR:</b>	COUNCILLOR BROCK	<b>PORTFOLIO:</b>	LEADER OF THE COUNCIL
<b>SERVICE:</b>	LEGAL & DEMOCRATIC SERVICES	<b>WARDS:</b>	BOROUGHWIDE
<b>LEAD OFFICER:</b>	MICHAEL GRAHAM	<b>TEL:</b>	0118 937 3470
<b>JOB TITLE:</b>	ASSISTANT DIRECTOR, LEGAL AND DEMOCRATIC SERVICES	<b>E-MAIL:</b>	<a href="mailto:michael.graham@reading.gov.uk">michael.graham@reading.gov.uk</a>

**1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY**

- 1.1 The Decision Book process was amended on 25 March 2020 to disapply the previous councillors’ call-in arrangements within the 10-day period after its publication and replace it with the ability to seek a review of the decision retrospectively, and to keep the changes in force temporarily during the ongoing Covid-19 situation.
- 1.2 To complement the amended process the list of Decision Books published will be reported to Policy Committee as a standing item on the agenda.
- 1.3 The following Decision Book reports have been published since the previous report to Policy Committee:

No.	Title	Date
610	<a href="#">Chilmington House, Armadale Court, Westcote Road</a>	11/09/2020
609	<a href="#">Green Park Railway Station</a>	08/09/2020
609	<a href="#">Gas Governor Site on Land off King’s Meadow Road</a>	08/09/2020
609	<a href="#">The Heights, Gosbrook Raod</a>	08/09/2020
608	<a href="#">Community Infrastructure Levy - Allocation of Part of 15% 'Local' Contribution</a>	21/08/2020

**2. RECOMMENDED ACTION**

- 2.1 That the Decision Book Reports be noted.

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## READING BOROUGH COUNCIL

### REPORT BY DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

<b>TO:</b>	POLICY COMMITTEE		
<b>DATE:</b>	28 SEPTEMBER 2020		
<b>TITLE:</b>	SUPPORTING READING'S ECONOMIC RECOVERY & RENEWAL		
<b>LEAD COUNCILLOR:</b>	CLLR BROCK	<b>PORTFOLIO:</b>	LEADERSHIP
<b>SERVICE:</b>	DIRECTORATE OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES	<b>WARDS:</b>	BOROUGHWIDE
<b>LEAD OFFICER:</b>	FRANCES MARTIN	<b>TEL:</b>	0118 937 4024
<b>JOB TITLE:</b>	EXECUTIVE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES	<b>E-MAIL:</b>	frances.martin@reading.gov.uk

#### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report outlines the current economic situation in Reading as a result of the COVID-19 pandemic and the initial and ongoing response from the Council.
- 1.2 The report proposes formal adoption of the Reading 'Powered By People' Strategy, an economic recovery strategy developed by Reading UK, the Council's outsourced economic development and marketing company, on whose Board the Council is represented by the Leader of the Council and the Director for Economic Growth and Neighbourhood Services.
- 1.3 The 'Powered By People' Strategy is based on extensive research and analysis by a variety of commentators and expertise within Reading UK and partner organisations. It aims to build back an economy that is more inclusive, smarter and more sustainable, and to continue to raise the profile of Reading as a great place to live, work, visit and do business, meeting the Council's Corporate Plan priorities.

#### Appendices:

- Appendix 1 Reading Unlock Dashboard (August 2020)
- Appendix 2 The Reading 'Powered By People' Economic Strategy
- Appendix 3 RBC Economic Recovery and Renewal Group Terms of Reference

#### 2. RECOMMENDED ACTION

##### 2.1 That the Policy Committee:

(i) endorse and adopt the 'Powered By People' Strategy as the Council's Economic Recovery Strategy Framework.

(ii) reaffirm the Council's commitment to working in partnership with Reading UK and other key partners to ensure a sustainable economic recovery which addresses the key challenges facing residents and businesses in the Borough.

### 3. POLICY CONTEXT

3.1 The UK is now in a recession which is forecast to be worse than those in 2009 and in the 1990s. As yet, the final outcomes and rate at which the economy will recover is unknown. There will be winners and losers between sectors, communities and geographies.

3.2 A number of economic commentators have predicted Reading will bounce back quickly as it has in past recessions. However, there are still a number of unknowns: the impact of the ending of short-term Government measures for supporting jobs and business; the future of locally based export companies and the global companies located in the area; the impacts of reduced global business travel and increased home working; the impact of offices being converted into residential units and associated implications for the local tax base; plus wider challenges around finding a vaccine and the risks around finalising a Brexit trade deal or otherwise. Unemployment is expected to rise as the furlough scheme is phased out, making younger and older age groups vulnerable to job losses, whilst graduates and care leavers have seen their education and training disrupted. It is therefore possible that Reading may find it more difficult to recover than in the past. The challenge for the Council is to act within its scope of influence to support a quick but sustainable and inclusive recovery from which all residents and business can benefit.

3.3 One of Reading's strengths is its economic structure, based on technology, science, knowledge and professional services, a highly skilled workforce, good global connectivity and trade links along with a relatively strong retail town centre offering. However, as the Unlock Dashboard (Appendix 1) and other research shows:

- The town is experiencing stresses on the retail, hospitality and leisure sectors which remain only partially operational where social distancing will allow.
- Foot fall on the High Street has only just returned to about 50% of pre COVID-19 levels, with 85% shops open again experiencing higher dwell time but lower turnover and the loss of some big high street names. The town also has a much reduced night time economy.
- Unemployment is now above the South East average and rising (6350 registered unemployed in July 2020) pending phasing out of the Government's furlough scheme.
- In January 2020 there were 6 job vacancies for every person unemployed in Reading - now there 4 people competing for every vacancy.
- Use of public transport has been discouraged and the statistics reflect this with car use returning and car park numbers rising whilst public transport use remains lower than pre-pandemic levels.
- Only about 30% of office staff have returned and are not expected to return before the New Year, and even then in lower numbers than pre-pandemic levels.

3.4 The immediate impacts on the Reading economy include:

- Increased use of online shopping, further impacting on the vitality of the town centre.
- Homeworking, furloughing, reduced student and business visitor numbers drastically reducing footfall and demand in the retail and hospitality sector.
- The arts, leisure and heritage sector remaining not fully open for business.
- Difficulties for micro businesses and the self-employed in some vulnerable sectors which may never return, leading to long term unemployment unless individuals can reskill and transition to different types of jobs.

3.5 The COVID-19 pandemic recession has also highlighted two further challenges already apparent in the local economy:

- The growing levels of inequality in Reading impacting on those most vulnerable and marginalised from jobs and training.
  - The barriers faced in decoupling greenhouse gas emissions from economic activity to achieve a net zero carbon city in line with the Council's climate emergency declaration and the Reading 2050 Vision. The town is still heavily car dependent, exporting its waste, lacking in local renewable energy resources and in need of investment to reduce emissions from its older building stock.
- 3.7 These issues are widely acknowledged among the Berkshire (local authority) Economic Development Officers' Group and the Thames Valley Berkshire Local Enterprise Partnership (TVB LEP).
- 3.8 In developing its response to the recession, the Council must be mindful of these challenges, seeking to mitigate the impact on local people and businesses whilst building on Reading's strengths, notably:
- An innovative and entrepreneurial economy with a research-led University
  - A highly skilled workforce attracting digital tech, science and knowledge companies
  - A good place for investors and developers in residential, office and leisure facilities
- 3.9 The Council can also seek to capitalise on the opportunities now presented, notably:
- To recover and renew the local economy, growing it to above and beyond its former levels but in a way that is more inclusive of local people in economic success
  - To build back a green tech, low carbon economy, developing new skills for local people to pursue employment and training opportunities in this area
  - To rebuild our arts, heritage and cultural strengths into a repurposed and vibrant town centre, connecting with the rest of the Borough
  - To bring forward the longer-term aspirations and targets set out in the Reading 2050 Vision
  - To develop local centres and the retail offer beyond the town centre to take advantage of the fact that more people are working from home
  - To consider how independent shops might be supported and how empty retail space can be used creatively
- 3.9 In summary the Borough has an opportunity to realise longer term (pre-COVID-19) aspirations and targets of the 2050 Vision and the emerging Climate Emergency Strategy sooner rather than later, taking Reading forward in a way that local people can be proud of, confident in, which meets their needs and which presents a strong place brand regionally and nationally.
- 3.10 To realise this, we will need strong partnership working locally with the business and community sectors as well as engagement across the Berkshire region with neighbouring boroughs and the Thames Valley Berkshire Local Enterprise Partnership (TVBLEP).

#### **4. INITIAL RESPONSE AND WAY FORWARD**

- 4.1 The Council's initial objectives during the response phase to the pandemic focused on working closely with Reading UK via an Economy Sub-Group of 'Silver' Command to:
- i) Deliver the expeditious administration of grants and rate reliefs made available by Government to support Reading's businesses - the Council issued over 1,400 businesses with rate relief worth £53m and allocated £24m in grants to support 1,750 small businesses through the crisis
  - ii) Signpost businesses to the various sources of help available nationally and locally
  - iii) Co-ordinate the response and associated communications between the Council and Reading UK

- iv) Engage with businesses to enlist their support in the response phase as well as supporting them through it
- 4.2 Policy Committee approved a Council Recovery Programme at its 22 June 2020 meeting, setting out the Council's approach to the recovery phase of the COVID-19 pandemic. The overall vision for the town is to ensure Reading can be a thriving, virus-resilient community. The outcomes sought included:
- A thriving place and economy, with space to support all sizes of business, where people want to come and live, work and visit.
  - An environment and economy underpinned by net zero carbon principles.
  - A relentless focus to solve our health and wealth inequalities alongside our partners.
  - A skilled population that feels part of a cohesive community and shares the benefits of the economic recovery.
- 4.3 The paper set out that one of the three strategic objectives is to secure the economic future of Reading by:
- Protecting business and the economy as much as we can through the worst period of the crisis and help to re-launch the town's retail, cultural and leisure economy when it is safe to do so.
  - Ensuring our transport infrastructure plays its part in a recovery that delivers (a) better air quality (b) a healthier local climate and population (c) our zero-carbon plans, based on improved opportunities for walking and cycling, the restoration of safe public transport as soon as possible, and harnessing new sustainable technologies in the way we work and travel in the future.
  - Ensuring that environmental sustainability is complemented by social and economic sustainability, emphasising economic inclusion and socially-conscious models of business.
  - Working to help those affected by redundancy, unemployment and exclusion into further education, skills, training or work.
  - Support for learners and recent leavers who need educational and career support to move to the next stage of their life.
  - Effectively managing business support schemes.
  - Working with key partners (Reading UK, TVBLEP, Berkshire Coordinating Recovery Group) to progress the place shaping and economic recovery plans.
- 4.4 In response, the Council established an Economic Recovery and Renewal Group as one of three high level groups to steer recovery work, chaired by the Executive Director of Economic Growth and Neighbourhood Services, Frances Martin. The Group's purpose is to provide leadership to support the safe and sustainable recovery and renewal of Reading's economy, doing so in a way which meets the Council's wider policy objectives including place shaping to addresses both new and existing challenges. Reading UK are represented on the Group. The Terms of Reference for the Group, incorporating a statement of the Council's priorities in relation to economic recovery, is at Appendix 3.
- 4.5 Recognising that securing the economic future of Reading will require wide participation from businesses and partners, the Council has worked closely with a number of external groups including the TVBLEP and Berkshire Economic Recovery Group.

#### Development of Reading 'Powered By People' Economic Recovery Strategy

- 4.6 The Reading UK Board has been meeting approximately every three weeks since April to address the COVID-19 situation and debating possible ways forward. In formulating a recovery strategy, it set several parameters to be met as follows:

- It would be a partnership strategy that the public, private and voluntary sectors across Reading could sign up to and participate in
  - It would respond to the immediate economic shocks arising from the COVID-19 pandemic, while addressing the inherent challenges in our economy which pre-existed COVID-19 (notably inclusive and sustainable growth)
  - It would be flexible enough to be developed throughout 2020 at least to take account of the as yet unknown economic impacts associated with COVID-19, evolving Government's policies and wider geopolitical decisions.
- 4.7 The title of the economic renewal Strategy is Reading 'Powered By People' because underlying the strategy is the belief that the road to recovery is through the people of Reading: they are at the heart of business decision making and recovery; they are the innovators, creators and entrepreneurs; they are the people who have cared for the community during the worst of the pandemic; and they are the labour force that will support a sustainable economic recovery.
- 4.8 The Impact on people who live, work, enjoy and do business in Reading will vary and some will need more help than others. It will take time to adapt to the impacts and changes brought about. There is a shared belief between the Council and Reading UK that the impact of COVID-19 will be so significant that the changes required to adapt will be greater than those in response to previous recessions.
- 4.9 The priority for the Strategy will be the start-up and growth of the local economy but by focusing on people we believe that we can simultaneously achieve wealth creation and help businesses adopt new business models and working practices, moving us to a successful and acceptable 'new normal'.
- 4.10 The strategy, at Appendix 2, sets out three main aims to achieve a 'new normal':
- Inclusive Reading - employment, skills and training for local people.
  - Smart Reading - a resilient economy, businesses and city centre fit for the future.
  - Destination Reading - a great place to work, live and do business.
- 4.11 If adopted the strategy will perform three key functions:
- Provide a single strategy in which the Council, Reading UK and other partners can work together to deliver and measure progress.
  - Provide structures for effective partnership working with Reading UK and a wide range of private and voluntary sector partners.
  - Provide aims and priorities that can be aligned with those being formulated at a Berkshire wide level so demonstrating how Reading is contributing to the wider economic recovery and strengthening Reading's case for additional financial resources.
- 4.12 It is also hoped that the Strategy will support the Council's position when it comes to seeking additional external Government funds and grants. In this regard, the Council's Economic Recovery and Renewal Group is monitoring emerging funding streams and ensuring that appropriate funding opportunities are pursued. The Group is also identifying and maintaining an overview of 'shovel ready' capital projects which can be put forward for financial support.
- 4.13 Given the shared ambition between the Council and Reading UK, it is recommended that the Strategy be adopted in full by the Policy Committee.

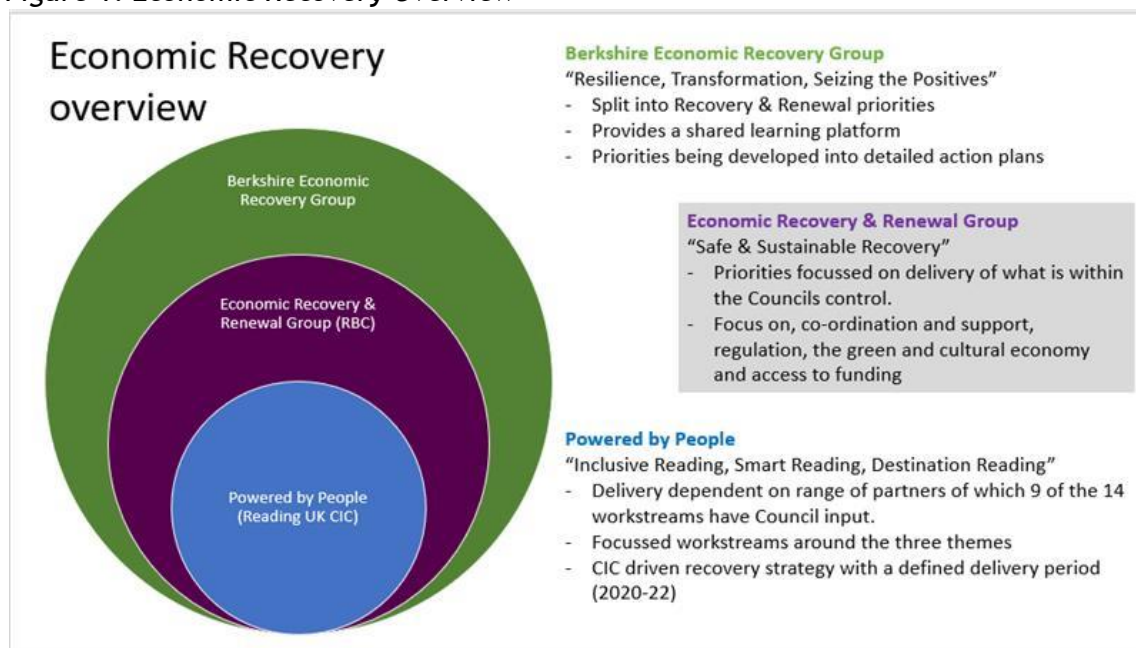
#### Implementation, Management and Monitoring of the Strategy

- 4.12 The economic situation is rapidly changing and there is a need for maximum flexibility and partnership working. Further analysis of the recession and its trends will be needed

as the situation develops and consultation will be required with the beneficiaries of the actions which will be taken. The Executive Director of Reading UK will be the senior responsible officer for the Strategy working closely with the Executive Director of Economic Growth & Neighbourhood Services. To ensure dual reporting of progress, monitoring and reporting will be to the Reading UK Board and through the Economic Recovery and Renewal Group and appropriate Committees to elected members of the Council.

- 4.13 Both RBC and Reading UK officers are participating with the Leader and Chief Executive in the work at the Berkshire-wide level, to ensure the town recovery strategy and the Council economic recovery plans align with the emerging Berkshire economic recovery strategy in a co-ordinated and efficient approach.
- 4.14 Figure 1 shows how the ‘Powered By People’ Strategy relates to the work of the Council’s Economic Recovery & Renewal Group, and the Berkshire Economic Recovery Group.

Figure 1: Economic Recovery Overview



- 4.14 Working groups of partner organisations including Council officers are being put in place already to bring forward urgent actions - these include:

- An Inclusive Reading Working Group, which will help address the Council’s commitment to tackle inequalities and take forward successful policies in the Council’s Employment, Skills & Training Supplementary Planning Document (SPD).
- A Green Industries and Skills Planning Group that will respond to calls for green infrastructure, green jobs and green skills bids to the LEP and Government
- A private sector group including the Business Improvement District to help inform the Council’s longer-term strategy to repurpose and revitalise the town centre economy and safeguard against current threats to its vitality.
- A Visitor Destination Working Group to attract visitors to Reading’s cultural venues and other facilities once they open and to help us celebrate the range of anniversaries occurring in 2021, including the 500th anniversary of Reading Abbey.

## 5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The Council’s Corporate Plan 2018-2021 (which was refreshed in Spring 2019) sets out six priorities - adoption of the Reading ‘Powered By People’ Strategy would support the following priorities:



- Securing the economic success of Reading
- Improving access to decent housing to meet local needs
- Keeping Reading's environment clean, green and safe
- Promoting health, education, culture & wellbeing

## **6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

6.1 The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers). It will be important for recovery plans to reflect the commitments made in, and the urgency of, this declaration. A draft Reading Climate Emergency Strategy for 2020-25, produced by the Reading Climate Change Partnership with the Council's support, is being finalised following an extended period of public consultation. The Reading 'Powered By People' Strategy aligns with the aims of this strategy in terms of its support for a green recovery as set out in 4.3 above. Detailed implementation of 'Powered By People' will continue to be informed by both the spirit and the letter of the Climate Emergency Strategy.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

7.1 Reading UK has consulted the business community in the development of the 'Powered By People' Strategy and will continue to do so to co-ordinate work in the recovery phase. Qualitative consultation through a customer focus group has also commenced.

## **8. EQUALITY IMPACT ASSESSMENT**

8.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

8.2 It is imperative, that in planning for the recovery we look to protect the most vulnerable and marginalised in our society. The revised priorities set out in the 'Powered By People' Strategy facilitate this, particularly the renewed focus on a more inclusive economy. The Council will continually review progress to ensure that we do not leave behind any section of our community.

## **9. LEGAL IMPLICATIONS**

9.1 There are no other legal issues arising directly from this report.

## **10. FINANCIAL IMPLICATIONS**

10.1 There are no direct financial implications arising from this report. Existing resources with the Council will be deployed in partnership with external parties to achieve shared outcomes.

10.2 However, the scale of any financial plans will be subject to access to the following sources of funding:

- Government funding directly and/or through the TBVLEP, especially associated with infrastructure and green skills (hence the focus of the Economic Recovery and Renewal Group on identifying and pursuing relevant funding streams)

- LEP funding being sourced to drive the emerging Berkshire recovery strategy
- Private sector sources of funding including a further round of employment and skills plans funding agreed by RBC and managed by Reading UK to support the economic strategy as it has for the last 4 years
- Funding leveraged through partners organisations

## **11. BACKGROUND PAPERS**

11.1 None.



# Reading 'unlocking': August dashboard

## Travel

### Buses



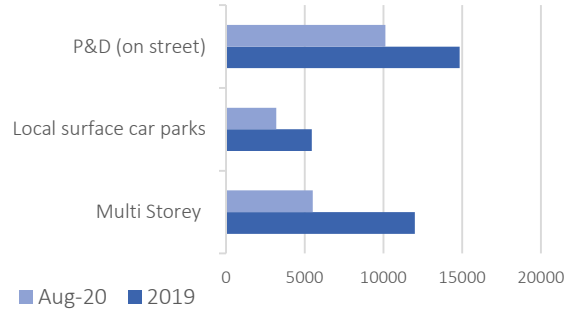
58.44%

Fewer bus journeys year on year W/E 8 August.

Source: Reading Buses

Solid improvements to passenger numbers with 12% improvement on July figures.

### Car parking



Source: Reading Borough Council

City centre parking up by 1000 month on month and parking in local centres continues to grow.

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+26,066 visits through the station month on month



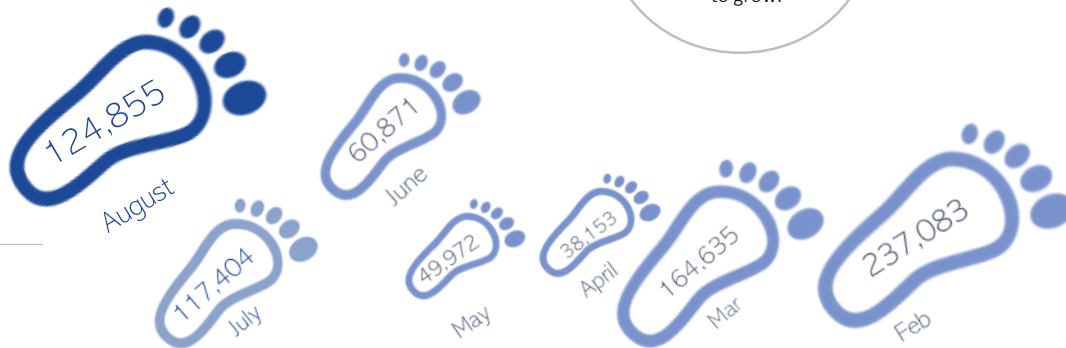
### Rail

W/E 8<sup>th</sup> August: 84,507  
W/E 11<sup>th</sup> July: 58,441  
W/E 14<sup>th</sup> June : 32,995

Source: Network Rail

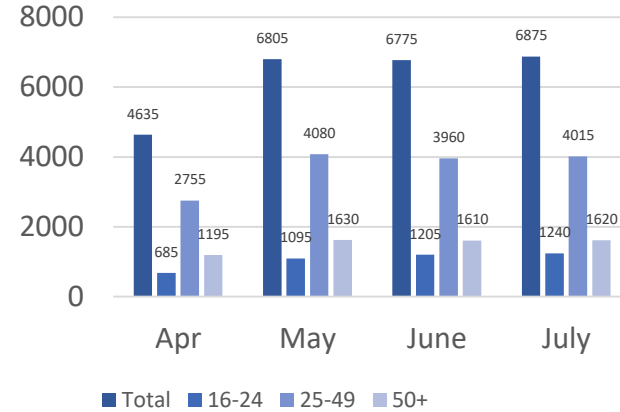
### Broad St. footfall

Overall increase in footfall month on month, despite small drop on previous week as recovery figures hold steady. Figures are down in Reading 54.7% year on year, against -40.2% in UK.



Source: Reading Central BID

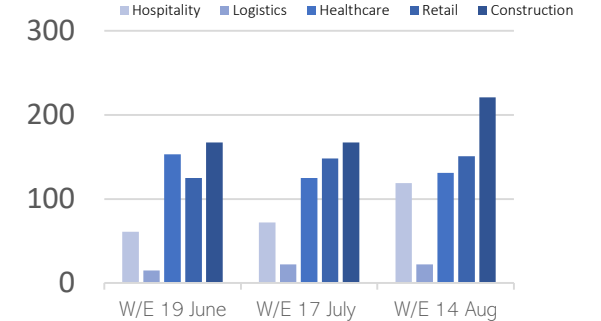
### Reading claimants



Slight overall increase (175), with rate increased to 6.3%, remains just under the national average of 6.5%, but above South East rate of 5.3%.

Source: ONS

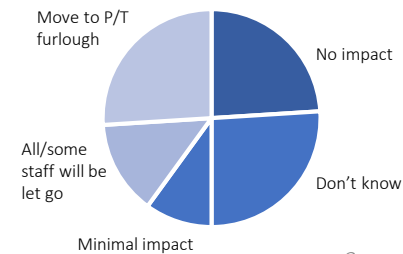
### Job vacancies



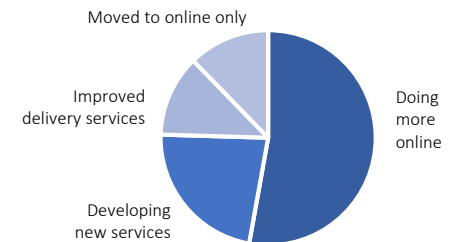
More jobs available in Hospitality, Construction and Retail as unlocking continues to build traction in key affected sectors.

Source: Indeed (10 mile radius)

### Furlough relaxation impacts in Berkshire



### Business is doing things differently



Source: Thames Valley Berkshire LEP

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We believe the road to recovery is through the people of Reading ; they are at the heart of business decision making and recovery, the innovators, creators and entrepreneurs ,the self employed the people who have cared for us during the worst of the pandemic and the labour force that will bring the economy back to its former glory and beyond.

The Impact on people who live, work, enjoy and do business in Reading will be variable and some will need our help more than others. It will take time to adapt to the impacts and changes brought about. We believe that the impact of COVID 19 will be so huge that our recovery will be to a different level of normal, unlike before.

Our priority will be the start-up and growth of our economy but by focusing on people we believe that we can simultaneously achieve wealth creation and help businesses adopt new business models and working practices to a new normal. A new normal will be a more 'inclusive economy' investing in our people with digital and green technology skills, a smarter economy that focuses on innovation and creativity , one that will recover our position regarding the climate emergency, living a more sustainable and ethical living and working style. We believe our Reading 2050 Vision is more relevant now than ever and we seek to realise it sooner rather than later, working closely with the Reading Climate Change Partnership in our common goal agreed in November 2019, that Reading is carbon free by 2030. This change for the better will be 'powered' by the behaviour actions and ambitions of the people who live work enjoy leisure time and do business in Reading which is why 'people' are at the heart of our plans for the future

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### Inclusive Reading

*Reskilling and upskilling the local labour force investing in digital and green tech skills and training*

An opportunity to address the immediate impacts of COVID-19 on the local workforce and labour market in Reading by meeting the immediate needs of local people facing redundancy, unemployment and those approaching the workplace for the first time. While training young people and the workforce in digital and green economy skills; to power our economy forward sustainably.

### Smart Reading

*Fit for the future; resilient and sustainable economy, businesses and city centre*

Rejuvenating the city centre and the most vulnerable sectors of the economy, continuing to build our smart green technology city future using Readings innovation, creative and entrepreneurial business strengths. Creating new innovation and creative spaces and involving people in our 2050 Vision ambitions as a smart and sustainable City

### Destination Reading

*A visionary place to live, work and do business*

Accelerating some of our 2050 Vision ambitions to rebuild a better Reading faster than was anticipated, based on carbon free , self-sufficient, caring inclusive growth principles. This will require a One Reading approach and several campaigns to raise Reading's profile about the way Reading is rebuilding its economy in order to continue to attract people to live, work, invest, do business and enjoy Reading.

Raise the profile of Reading through proactive marketing and communications

# Planning for economic recovery

## What we know so far:

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### The Immediate impact on the Reading economy

- Unemployment is tracking just below the national level at 6.35 around 6,800 in May, June and July double the level in Feb 2020
- Approximately 29%, 30,000 jobs affected in the lock down most vulnerable sectors (retail (17000 Jobs), hospitality, leisure, the arts, manufacturing and construction
- There is currently ONE job being advertised for every FOUR unemployed people. Pre-lockdown there was typically FIVE jobs for every job-seeker.
- 17-21s and Over 50's most severely affected – and those with serious barriers at more risk
- The self employed and micro businesses (biggest % of our economy by no. businesses) have been most affected by immediate loss of business and income. 5,700 claims for financial support (SEISS) were made by 74% Readings self employed
- Working from home levels across Reading and Wokingham were among the highest in the country due to a large number of workers in tech computing, sales, marketing and admin.
- Public transport was impacted by lock down and is only slowly returning at under 50% levels .impacted by Govt policy and home working

### Sector impacts and Employment

- Retail, Hospitality, Leisure and Culture taking immediate hit – impacts on business and tourism (ONS/ EY) 16.2% business in Reading affected by lock down
- The town centre is particularly hardest hit with footfall figures only just back to about 50% of pre lock down levels and travel on public transport by bus and train
- Projected fall out for construction (potential impact on major regeneration projects) and professional sectors (EMSI)
- Major redundancies in travel and tourism, utilities and retail already seen across UK
- Apprenticeship levels falling as businesses pull back programmes (TVB LEP)
- Just 44% of local businesses offered work experience in the past this figure has now fallen to 15% across Berkshire (TVB LEP)
- Women, young people and low paid (gig economy) most affected by fallout (IFS)

# Planning for economic recovery

## Predictions, Opportunity and the Unknowns :

### Predictions

- Reading is well placed to ride out downturn **but** UC total is already at 6,805 (6.2%, May 2020) higher than south east (5.9%) and near UK's 6.5% average (source ONS).
- We have a well balanced economy, strong GVA, high paid and high knowledge job *but fallout will exacerbate inequality (source The Resolution Foundation).*
- Those facing multiple barriers to work will be further impacted by the newly unemployed increasing levels of long term unemployment
- Grant Thornton's Recovery Index places Wokingham and Reading economies first and second for recovery from Covid-19 Lockdown.
- Centre For Cities say Reading economy will be third least affected by Lockdown (alongside Oxford and Cambridge).
- FT's FDI Intelligence name Reading 2nd best European Tech Start Up city,
- BDO notes that the well balanced economy of the M4 corridor puts us in a strong position to rebound – led by tech and agriculture sectors.
- EY for ADEPT; GVA and employment levels wont recover for 5 years, winners will be in areas that are innovative and adapt to the 'new norms' building on local strength, assets and opportunities.

### Opportunity

- Selling Reading's strengths as a business location; skilled workforce locally and within reach, proximity to London, quality of life, modern, green, clean, safe and flexible office spaces.
- Recruitment levels maintained in NHS and care sectors as well as logistics and construction.
- Green sector infrastructure training and jobs, driven by the climate emergency and govt policy and funding.
- Innovation and entrepreneurship – adapting business models; inventing new products and services – a strength in Reading, backed by an engaged local University.
- Training options will be in heavy demand as more people seek to adapt to a new jobs market and new skills.
- The last recession (2009) saw a significant spike in the Over 60s and 16-24's becoming self-employed.
- Re imagining the town centre; commercial property, sustainable and adaptable living /work communities the arts, heritage and leisure visitor economy.
- Reading an alternative 'staycation' destination
- Growing back better; more inclusive and sustainable economic growth working with employers, training supporting and employing local people, contributing to the zero carbon agenda
- Escape the City reports start of "flight" from London (43,000 workers commute into Berks from London every day)

**Unknowns and concerns:** BREXIT Deal, global business shocks, **Major Company Redundancies** or exits from reading. **Shape** and timescale of the economic recovery 'V' 'U' 'W'shape. **Speed** and level of return to the office; Impacts on the self employed. **Resilience** of young people school, college and university leavers; **Variable impacts** of the recession on local people and the new normal - how to take every one with us on the journey of recovery

## INCLUSIVE READING | Employment skills and training for local people

An opportunity to address the immediate impacts of the COVID 19 impact on the local workforce and labour market in Reading by meeting the immediate needs of local people facing redundancy, unemployment and those approaching the workplace for the first time. Meanwhile investing in growth sectors and digital and green tech sector for the young and those not in work locally

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Work stream	Why	Outcome	Measures	Partners
Unemployment, redundancy support - £ TVB LEP, Employment and Skills Plans and Partners	People unemployed or facing redundancy after furloughing will need the support of a range of organisations so they can return to new jobs and careers including the need to reskill and upskill - over 50s and young people most vulnerable	A co-ordinated and easily accessible 'One Reading' partnership service providing a range of information advice, training and job search bespoke to the individual	Registered unemployment levels broken down by target groups, sectors and major employers	RUK Business Growth and Skills incl. employment, training, business and local auth representatives + advice agencies and regional services
Redeployment services – £ TVB LEP Employment and Skills Plans - local deployment	As an alternative to one to one employment search, job matching larger numbers of people with sectors that are expanding can be more impactful.	Match people to jobs in order to reduce the time a person is unemployed	Unemployment levels Job availability	TVB LEP, NCS, DWP RBC New Directions RUK Business Growth and Skills Group
Sector skills training £TVB LEP, Employment and Skills Plans, Adult and FE funding	For expanding sectors, we need to start preparing local people through training provision to reskill upskill and find jobs in logistic, care, construction, digital and green tech jobs.	Longer term strategy to reinforce growth sectors of the local economy and reinforce importance of digital , green tech and care sector jobs	Skill shortages Vacancies No's trained	Working with sector champions training organisations and New Directions
Preparing students for a post COVID workplace £ Employment and Skills Plans	It is a difficult time for those approaching GCSE's and A levels, University and moving into work for the first time – we need to prepare them for change brought about by COVID 19 through the eyes of employers	Better prepared confident and positive young people ready to adapt to a new world of work. Insight from employers	GCSE, A level and degree qualifications, Levels in work within 12 mths Numbers receiving work experience and careers advice through EBP and CEN	University, College and local schools with BG and Skills Group membership
Health and Well-being in the work place £ Employment and Skills Plans	Health and well-being in the work place has for some time become an important issue COVID 19 and its longer-term impacts will only intensify needs and demand for support services.	New services responding to health and wellbeing - role of the creative sector	New measure based on evaluation of the work done	BISCOTTI network, Reading Place of Culture project



## SMART READING | Fit for the future and resilient economy, businesses and city centre

Rejuvenating the most vulnerable sectors of the economy and our city centre; and looking forward, building on our innovation, creative and entrepreneurial strengths. Investing in green technology and digital businesses and the skilled workforce to power them

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Work stream	Why	Outcome	Measures	Partners
Reinventing vulnerable sectors and the town centre economy and strengthening linkages between the town centre the edges of Reading £ BID's, Arts Council, property owners/ investors	We know retail, hospitality and leisure have been the most affected by COVID 19, they need to reinvent and adapt to a post COVID 19 world. The biggest impact will be on the town centre and small businesses	Retail, leisure and hospitality sectors fit for purpose in a post-COVID 19 world. Innovative re-use of town centre vacant buildings creating economic resilience	Vacancy rates, occupancy levels, footfall figures customer surveys daily visitor figures, train and bus, cycling	Reading central BID, RBC, target sector champions business organisations Reading Place of Culture
Smart City Berkshire Phase 2 £ TVBLEP, RBC, NESTA, Tech Nation	We still need to complete the digital infrastructure plans for Reading and take advantage of the innovation expertise in local firms already being exploited	Implemented 5G Infrastructure programmes Phase 2: focus on low carbon, healthcare and smart city technologies	Impact of environment, quality of life and health among most vulnerable	RBC Berkshire partners and TVB LEP, local businesses, digital hardware providers
Application of innovation by entrepreneurs and academics £ Existing budgets £ TVB LEP, property owners	This is at the heart of our Reading 2050 Vision and will support sustainable economic growth We need to prioritise investment in and take up of more sustainable practices We need to understand the impact of new technology on future work – AI, AR robotics	Supporting Reading University and the Science Park to realise its vision and impact locally Bring forward plans for innovation space in the town centre Planning for future of work Supporting Climate Change Strategy objectives – e.g. packaging and waste minimisation	Rate at which new ideas come forward the Science Park's plans are realised, and the knowledge and solutions permeate into Reading Reduction in business waste	University, Science Park, business champions, Thames Valley AI Hub Reading Climate Change Partnership
Supporting the Digital and Green tech sectors £ Employment and Skills Plans £TVBLEP	Tech Nation recognised Reading as one of the top 30 tech clusters in the UK focusing on the digital tech sector Building green tech skills in the local workforce seen as key to driving the economic recovery and achieving our zero carbon targets	Industry led training and skills centres of excellence meeting the needs of these industries that creates a pipeline of local people with digital and green tech skills to power our economy	Number so people trained and leaving school and college with digital and green tech skills	Climate change partnership, schools, FE and HE sectors, specialist training providers

Classification: OFFICIAL

## DESTINATION READING | A great place to work, live and do business

In the spirit of the Reading 2050 Vision, the COVID 19 pandemic experience has reminded Reading that there is an opportunity to take matters more into our own hands but unlike the past to accelerate some of our ambitions to rebuild a better Reading faster than was anticipated, based on zero carbon, self-sufficient, caring inclusive growth principles. This will require a One Reading approach and several campaigns to raise Reading's profile about the way Reading is rebuilding its economy in order to continue to attract people to live work invest do business and enjoy Reading.

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Work stream	Why	Outcome	Measures	Our Partners
Greater Reading: relocate to the progressive 'ideas' capital of the Thames Valley economy opportunity for business relocation	Re state Readings position as the capital of the Thames Valley determined to build a better Reading economy attractive to small medium and large enterprises	New investment, and relocating companies. Demand for managed work space and live work mixed use development	Investment, national PR coverage, Occupier numbers Attracting talent relocation enquiries	TVBLEP, UK Property Forum, TV Chamber inward investment Local business supporters
Reading Town Centre Open for business	We need to demonstrate that in the town centre we are being responsible in the way we are re-opening Reading to mitigate any further health risks and long-term reputational damage to the economy there	key organisation to agree a protocol for reopening and managing the town centre in the short – medium term and to extend beyond the TC	Business occupancy of town centre premises. Customer surveys. National press coverage. Reopening strategy	BID Central, Abbey BID, RBC Town Centre Group, Reading Station, Reading Buses, TV Police,
Visit Reading: the next generation visitor , arts heritage and cultural destination	We need to demonstrate a responsible approach to re-engaging business and leisure visitors and the arts and cultural community. We also need to change our horizons from overseas visitor markets to e UK based 'staycation' visitor markets	Positioning as a visitor destination, more people visiting and enjoying the culture/arts-based destination? Rising Hospitality and visitor destination figures	Visitor numbers Health of hospitality sector etc  Local regional and national coverage	Great West way, Reading Tourism Group and hospitality Group Arts and Cultural venues Arts and festival events and partners
'The Reading Way' – more inclusive and sustainable economic growth	Opportunity to rebuild a better RDG that is inclusive, sustainable caring ethical and has a circular economy	Raising consciousness in the work place and amongst the communities	Local regional and national coverage	RBC, Connect Reading, Ethical Reading, RVA
Reading recognises the value of our health, care transport and public services as well as community spirit supported by business	The opportunity to build on the heroic and caring experiences of the COVID lock down period by celebrating our key workers lobbying for a Living Wage for all,	Maintain and grow the respect and value in our key workers, and sectors. A safe return to work and public places. Public celebration of our key workers	Public surveys etc  Local regional and national coverage Awards and celebration events	RBC,, Awards organisers, sponsors, Connect Reading

# Planning for economic recovery

## Implementation and reporting:



- JOINT WORKING ARRANGEMENTS
- Board of Reading UK: Adam Jacobs, Chair  
Cllr Jason Brock, Vice Chair
  - Senior Responsible Officers : Frances Martin and Nigel Horton-Baker
  - RBC working groups; 'Economic Impact; Town Centre Sub-Group and Inclusion Working Group
  - Powered by People Working Groups
    - Inclusive Reading
    - Smart and Sustainable Reading
    - Destination Reading
    - Strategy Overview Group FM, NHB, KC (Chair 2050 Vision)
  - Project Funding Applications
  - Developing complementary measures of success and economic monitoring
  - Shaping and contributing to the Berkshire Economic Recovery Strategy
  - Climate Change and Town Centre strategies
  - Preparing progress reports to RUK Board and to Elected Members of RBC as required (via Economic Impact and Recovery Group)



- Board to lead the Partnership Strategy
- RUK Corporate Plan focused on the delivering the Strategy-
  - Boost business,
  - Improve the visitor welcome
  - Benefit all in the Greater Reading area
- Chair the Berkshire Economic Development Officers group (BEDOG)
- Bimonthly Economic Monitoring report and Reading 'Unlocking' Dash Board
- Strategy; Marketing and Communication Plans
- Engaging Business via the RUK COVID Recovery Newsletter/ City Vision news

- RBC to be represented on the Thames Valley Economic Resilience Forum
- RBC Recovery Corporate Plan
  - Economic Impact and Recovery
  - Social Impact and Vol sector
  - Operational Recovery
- Delivering Government's financial support to business
- Represented on the Thames Valley LEP
- Engaging local residents via the Leaders news letter



## COVID-19 ECONOMIC IMPACT & RECOVERY SUB GROUP

### TERMS OF REFERENCE

#### **Purpose**

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The COVID-19 Economic Impact & Recovery Sub Group provides leadership to support the safe and sustainable recovery and renewal of Reading's economy in response to the global COVID-19 pandemic, doing so in a way which meets the Council's wider policy objectives including place shaping and which addresses both new and existing challenges.

#### **Objectives**

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The COVID-19 Economic Impact & Recovery Sub Group will advise the Corporate Management Team (CMT) on:

- The safe unlocking of economic activity, seeking out transformational recovery, funding and renewal opportunities in order to 'build back better'.
- Blockages and solutions to problems that may be preventing legitimate economic activity from resuming/progressing, or hindering necessary business adaptations in response to new realities (changing patterns of demand etc).
- How the Council can support a phased exit from lockdown which maximises the pace of economic recovery without compromising the health, safety and wellbeing of residents, consumers and employees.
- Managing communications about the re-opening of economic activity to give clear and consistent messages to businesses, residents and members.
- The learning from the COVID-19 response and its applicability to Reading's economic strategy, and to future business continuity, business resilience and emergency response.
- The potential for, and limitations of, the Council's role in economic recovery and renewal, with a view to ensuring that the Council complements, and does not duplicate, the roles of the Reading UK CIC and Thames Valley Berkshire LEP in particular.
- Understanding the economic impact of Covid-19 and responding accordingly in partnership with major employers, businesses and their representatives.
- Ensuring that the Council's commissioning and procurement activity support economic recovery and renewal in line with its Social Value obligations.
- Ensuring that the Team Reading values guide the Council's approach to economic recovery and renewal.

## Priorities

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The Group's work will focus on the following priority areas:

- **Delivering and accessing financial support for Reading's economy:** The Council has an ongoing role in allocating dedicated and discretionary financial support via various Government grant schemes for individual businesses and charities which the group will oversee. In addition, there is an increasing need for the Council to access, or support Reading's businesses in accessing, international, national and regional funds which may become available for recovery and renewal. The Group will maintain an overview of these and proactively identify, develop and pursue projects which are capable of attracting external funding to support economic recovery and renewal.
- **Delivering an inclusive economic recovery:** The Council has long-standing ambitions to ensure that the benefits of Reading's economic success are shared more evenly and that the gaps in economic opportunity which exist in Reading are narrowed. The Group will seek to ensure that the economic recovery is as inclusive as possible by equipping local people with the skills needed to meet the demands of the new economy; promoting the Living Wage and more secure employment; and promoting 'levelling up' to address deprivation and inequality.
- **Delivering a green economic recovery:** The council has long standing ambitions to better integrate environmental objectives into Reading's economic strategy, particularly in relation to climate change. The Group will seek to ensure that economic recovery helps reduce carbon emissions, waste generation and pollution to deliver 'clean growth'; stimulates sectors which support this ambition; enables active travel options; supports the safe recovery of public transport networks; and promotes electrification of the vehicle fleet and building stock to support net zero carbon ambitions.
- **Ensuring access to decent, affordable and sustainable housing:** The Council has a key role in ensuring that the housing growth needed to meet identified need in the Borough is delivered via public and private housing, but particularly through its own new build programme.
- **Delivering responsive and robust regulation:** The Council has statutory functions and policy obligations which impact on the wider economy from planning and development control through traffic regulation to food safety, environmental health and consumer protection. The Council's influence via these functions on the housing market, retail, leisure, hospitality and other key sectors of the economy can be significant. The Group will therefore ensure that these functions are discharged in a way which is responsive to the needs of the business

community, and recognises the needs of business to adapt to radically changed circumstances, while ensuring that necessary statutory compliance is maintained and that the health, safety and wellbeing of consumers and employees is not compromised.

- **Developing and facilitating access to business advisory services which support business and promote the Council’s objectives:** There is a continuing need to facilitate businesses access to the rapidly changing landscape of Government policy advice and support for business, which the Group can oversee by ensuring accessible and timely signposting via its website and wider communication channels, in co-ordination with Reading UK in particular. There are also a wide range of business support services across the Thames Valley and the Group will work with the partner organisations operating these to ensure that the business support offer is clear, consistent, and reinforces the wider policy objectives of the Council.

## **Governance**

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The Group will report regularly to CMT and provide updates to the Leadership group as required. The Group will liaise closely with Reading UK, TVB LEP and other economic partners to ensure development of a shared vision for recovery, whilst recognising the distinct roles of these bodies and RBC respectively.

The CMT sponsor for the group is the Executive Director of Economic Growth and Neighbourhood Services.

The Group will provide regular updates to the Senior Leadership Group (SLG) and seek their views/support as required to ensure a collaborative approach to economic recovery and renewal across the borough.

## **Membership**

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The Group’s standing membership includes the following officers:

- Executive Director of Economic Growth and Neighbourhood Services (Frances Martin)
- Assistant Director of Culture and Leisure, DEGNS (Donna Pentelow)
- Deputy Director of Planning, Transport and Regulatory Services, DEGNS (Giorgio Framalicco)
- Assistant Director, Environment & Commercial Services, DEGNS (Andy Edwards)
- Assistant Director, Housing & Communities, DEGNS (Zelda Wolfle)
- Business Development Manager, DEGNS (Marcus Hermon)
- Environmental Health Manager, DEGNS (James Crosbie)
- Head of Climate Strategy, DEGNS (Peter Moore)
- Strategic Communications Manager, Resources Directorate (Niki Barton)

- Recovery & Control Team Leader, Resources Directorate (Sam Wills)
- Executive Director of Reading UK (invited) (Nigel Horton-Baker)
- [Representative of Procurement - to advise on commissioning to support recovery in line with social value obligations]
- [Representative of Adult Care & Health Services TBC]
- [Representative of Brighter Futures for Children (invited)]
- [Representative from the Joint Trade Unions]

The Group is chaired by the Executive Director of Economic Growth and Neighbourhood Services. An Economic Impact & Recovery Lead will be appointed to coordinate the process, together with additional support provided by the Project Management Office in Corporate Improvement and Customer Services.

### **Meetings**

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The COVID-19 Economic Impact & Recovery Sub Group will initially meet on a weekly basis to coordinate and provide the read across with the work that is being undertaken in the main themes. Meetings will take place virtually until such time that meeting in person is possible.

The Group will remain in operation as long as there is a need for a recovery response to COVID-19. Meetings may become less frequent as the recovery progresses.

Sub-groups may be established by the Group as where specific areas of focus are required e.g. a Town Centre Steering Group.



## READING BOROUGH COUNCIL

### REPORT BY DIRECTOR FOR ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

<b>TO:</b>	POLICY COMMITTEE		
<b>DATE:</b>	28 SEPTEMBER 2020		
<b>TITLE:</b>	HOUSING STRATEGY FOR READING 2020 - 2025 READING'S PREVENTING HOMELESSNESS STRATEGY 2020 - 2025		
<b>LEAD COUNCILLOR:</b>	CLLR JOHN ENNIS	<b>PORTFOLIO:</b>	HOUSING
<b>SERVICE:</b>	HOUSING	<b>WARDS:</b>	BOROUGHWIDE
<b>LEAD OFFICER:</b>	SARAH TAPLISS BRYONY HALL	<b>TEL:</b>	0118 937 4136
<b>JOB TITLE:</b>	STRATEGIC HOUSING & DEVELOPMENT OFFICER HOUSING NEEDS MANAGER	<b>E-MAIL:</b>	sarah.tapliss@reading.gov.uk bryony.hall@reading.gov.uk

#### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report presents the Housing Strategy for Reading 2020-2025 and Reading's Preventing Homelessness Strategy 2020-2025 and seeks authority to publish both strategies.
- 1.2 The Housing Strategy is an overarching strategy which draws together and provides an overview of strategies and plans across the Council which seek to facilitate the Council's ambition of the provision of decent, sustainable affordable homes within thriving neighbourhoods.
- 1.3 A key theme running through the Housing Strategy is the embedding of the Climate Emergency Strategy and the ambition to complete a 'deep retrofit' of existing homes in Reading alongside a programme of education and support to residents to enable energy efficient lifestyles.
- 1.4 Reading's Preventing Homelessness Strategy 2020-2025 outlines the Council's intentions to intervene early, prevent homelessness and ensure access to suitable accommodation whenever prevention is not possible. The Strategy supports the priorities of the Housing Strategy 2020-2025.
- 1.5 The following are appended to this report:
  - Appendix A Housing Strategy for Reading 2020 - 2025
  - Appendix B Reading's Preventing Homelessness Strategy 2020 - 2025
  - Appendix C Equality Impact Assessment: Reading's Preventing Homelessness Strategy 2020 - 2025
  - Appendix D Housing Strategy Consultation Feedback
  - Appendix E Preventing Homelessness Strategy Consultation Feedback

#### 2. RECOMMENDED ACTION

- 2.1 That Policy Committee approve the publication of the Housing Strategy for Reading 2020 -2025 and Reading's Preventing Homelessness Strategy 2020 - 2025

- 2.2 That Policy Committee authorise the use of s106 funds collected under the Council's Zero Carbon Homes Local Plan Policy for the purposes of local housing retrofit schemes within the Borough
- 2.3 That Policy Committee delegate authority for the selection of retrofit schemes to the Director of Economic Growth and Neighbourhood Services in consultation with the Lead Councillor for SEPT following recommendations from the Climate Programme Board.

### 3. POLICY CONTEXT

- 3.1 The Council's strategic approach to housing is delivered via a suite of separate and connected strategic documents. The Housing Strategy for the town acts as an overarching summary of the key strategic priorities guiding the range of activity being delivered and sets out a clear vision of the future of housing in Reading. The last strategy was published in 2009, and a new updated Housing Strategy is required to reflect both the national and local changes over the last decade.
- 3.2 Consultation in relation to the suggested themes and priorities of the Housing Strategy was completed in 2019, obtaining respondents views on the following proposed themes:
- Supply of Accommodation
  - Quality of Accommodation and Neighbourhoods
  - Support to Residents
- 3.2 The Council's homelessness response is underpinned by Part 7 of the Housing Act 1996 which states the statutory functions it must undertake in preventing homelessness and assisting people threatened with, or who are actually homeless. The Government amended this homelessness legislation through the Homelessness Act 2002 to ensure a more strategic approach to tackling homelessness and requiring that all housing authorities have a homelessness strategy. Each borough's strategy must:
- be based on a review of all forms of homelessness
  - be renewed at least every five years
  - set out the authority's plans for the prevention of homelessness and for securing sufficient accommodation and support for people who become homeless or who are at risk of becoming so
- 3.3 The Homelessness Reduction Act 2017 introduced the following duties for Council's in England: (a) an enhanced prevention duty extending the period of being threatened with homelessness from 28 days to 56 days and (b) a new duty, for those who are already homeless, to support households for 56 days to relieve their homelessness by helping them to secure accommodation. The Act requires Council's to provide homelessness services to all those affected, not just those who have 'priority need'. It also introduced a 'duty to refer' upon certain public authorities where their service users have been identified as being homeless or at risk of homelessness.
- 3.4 Section 2.10 of the Homelessness Code of Guidance states that Council's must consult public authorities, voluntary organisations or other persons as they consider appropriate before adopting or modifying their Homelessness Strategy, as well as consulting with service users and specialist agencies that provide support to homeless people in their borough.
- 3.5 Reading Borough Council's Homelessness Strategy 2016 - 2021 set out three key themes: (1) To increase the use and accessibility of the private rented sector; (2) To prevent homelessness by supporting people to access housing and to sustain their accommodation, and (3) To increase the range and accessibility of information and advice available to enable people to make informed decisions about their housing

situation. Reading's current strategy is not due for review until 2021. However, significant legislative change and reductions in the utilisation of emergency accommodation for homeless households, following the introduction of several successful interventions, have warranted early review and renewal. Review of Reading's Homelessness Strategy 2016 - 2021 (Appendix A) shows the borough's achievements against the previous strategy's aims. Reading's Preventing Homelessness Strategy 2020 - 2025 sets out the Council's strategic plan for homelessness prevention over the next five years.

- 3.6 A public and partner consultation exercise on proposed themes/priorities for a new homelessness strategy in Reading was completed in 2019.

#### 4. THE PROPOSAL

##### Current Position:

- 4.1 The majority of individuals who provided responses to the consultation on proposed priorities/ themes agreed that for both strategies they were appropriate in setting out the Council's strategic approach to housing and addressing homelessness in Reading. Therefore, these themes and priorities have been incorporated into the draft strategies appended to this report.
- 4.2 Some of the consultation responses highlighted issues or made suggestions that are addressed within other specific Council strategies. This includes, but is not limited to:
- Empty Homes Strategy 2020 - 2026
  - Domestic Abuse Strategy 2019 - 2022
  - Rough Sleeping Strategy 2019 - 2024
  - The emerging Climate Change Strategy for Reading 2020-2025
  - Reading Borough Local Plan - Adopted November 2019
  - Emerging Accommodation with Care Strategy for Reading

##### 4.3 Options Proposed

- 4.3.1 The themes proposed within the Housing Strategy (attached at Appendix A) are focused on the supply of accommodation, the quality of housing and neighbourhoods and sustainable support to residents aligned with the following key priorities:

##### Supply of Accommodation

**Priority One** - Deliver high quality and sustainable homes and neighbourhoods.

**Priority Two** - Facilitate a supply of housing that will meet the identified needs of all residents.

##### Quality of Accommodation and Neighbourhoods

**Priority One:** Enhance the quality, safety and sustainability of existing homes.

**Priority Two:** Create attractive and connected neighbourhoods.

##### Support to Residents

**Priority One:** Prevent homelessness and help people sustain their accommodation.

**Priority Two:** Enable residents to access support, maintain their independence and have a voice in respect of the services they receive.

- 4.3.2 Reading's Draft Preventing Homelessness Strategy (attached at Appendix B) is underpinned by the following priorities:

**Priority One** - Intervening early to prevent and reduce homelessness in Reading

**Priority Two** - Supporting people who are vulnerable to recurring homelessness

**Priority Three** - Increasing provision of decent, suitable accommodation

- 4.3.2 These priorities have prevention of homelessness at their core and incorporate:

- **Universal approaches** - widely and generally available advice and information for everyone
- **Targeted upstream intervention** - for people identified with potential risk factors for homelessness
- **Supported tenancy sustainment** - support and advice to any household currently at risk of losing, or having previously lost, their accommodation
- **Pre-crisis interventions** - preventing anticipated homelessness
- **Provision of accommodation and crisis interventions** - helping to secure suitable accommodation

4.3.3 The recommended decision in relation to the use of s.106 funds for housing retro fit programmes relates to key outcomes set out in the Housing Strategy and supports the ambitions of the Climate Change Emergency Strategy.

4.3.4 It is proposed that both the Housing Strategy for Reading 2020-2025 and Reading's Preventing Homelessness Strategy 2020 - 2025 as appended to this report are approved for publication.

## 5. Other Options Considered

5.1 It is not a legislative requirement to have a Housing Strategy, however Housing is a key issue for residents, and it is good practice to have an overarching strategy that provides a focus for the delivery and quality of accommodation within the Borough. It is a statutory responsibility to publish a Homelessness Strategy for the Borough. It is possible to delay the publication of each strategy and wait for the existing Homelessness Strategy to end and introduce a new strategy in 2021. However, the existing Strategies require updating and delaying their implementation following the consultation in 2019 would undermine the Council's commitment to this key issue.

## 6. CONTRIBUTION TO STRATEGIC AIMS

6.1 This proposal will contribute to the following Corporate Plan priorities:

- Ensuring access to decent housing to meet local needs
- To protect and enhance the lives of vulnerable adults and children

6.2 The proposed decision on this report will contribute to the Council's strategic aim to promote equality, social inclusion and a safe and healthy environment for all.

6.3 The Housing Strategy 2020=20205 and Reading's Preventing Homelessness Strategy 2020 - 2025 will contribute to the Community Safety and Health agenda.

## 7. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

7.1 The Housing Strategy is a high-level strategic document that sets a clear intention in respect to Sustainability and Climate Change. The priorities in the strategy and associated supporting strategies in respect to both delivering new homes and improving the quality of existing properties, set clear targets to support the sustainability agenda and for Reading to become carbon neutral by 2030.

## 8. COMMUNITY ENGAGEMENT AND INFORMATION

8.1. Initial informal conversations were held with some internal and statutory stakeholders regarding the development of themes for consultation on the priorities of both Strategies.

8.2. Full public and partner consultation was undertaken in 2019 for the Housing Strategy for Reading 2020-2025, and for Preventing Homelessness Strategy 2020-2025. Consultation Feedback is appended at Appendices D & E.

In summary the following groups were consulted with in the following ways:

- Online survey via RBC's Consultation Hub (open public consultation)
- One-to-one interviews with people who have lived experience of homelessness; being at risk of homelessness and of recurring homelessness
- Use of social media (Facebook and Twitter) and RBC internal communications (Intranet and Inside Housing) to provide an information piece and promote the on-line survey
- Cross-sector focus groups with informed and experienced partners.
- Director consultation (electronic) with developers and Registered Providers.

7.3 In March 2020 a presentation was made at the Housing, Neighbourhoods and Leisure Committee regarding the themes and priorities for both strategies - these were unanimously supported and endorsed by the Committee.

7.4 As a result of consultation, the themes for the Housing Strategy, and the five core underpinning themes of the Homelessness Strategy have been developed. During the drafting process these have been refined and the order has been amended so that the overall strategy and objectives could be logically formed and followed by readers.

## **8. EQUALITY IMPACT ASSESSMENT**

8.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

8.2 Due to the high-level nature of the Housing Strategy for Reading 2020-2025 an Equality Impact Assessment (EIA) has not been completed as the full impact of each of the actions is not known. However, there is a commitment that any key decision made as part of the delivery of these priorities, or within the subset of strategies that sit as part of the delivery programme, will be subject to a full EIA.

8.2 An EIA is relevant to the Homelessness Strategy. The full assessment can be found in Appendix C. It concludes that publishing and delivering the strategy will not have a negative differential impact on racial groups; gender; people with disabilities; people of a particular sexual orientation; people due to their age; people due to their religious belief, other than to recognise and target the specific needs of groups identified as being at particularly heightened risk of homelessness due to their demography, geography or health and well-being needs.

## **9. LEGAL IMPLICATIONS**

9.1 Under Section 1(4) of the Homelessness Act 2002, it is a legal requirement for the Council to review, formulate, consult on and publish a homelessness strategy every five years or the local authority can choose to do this more frequently if circumstances in the area have changed. Section 1(5) requires the local housing authority to take their homelessness strategy into account in the exercise of their functions.

9.2 The Ministry for Housing, Communities and Local Government's *Homelessness Code of Guidance* states that an effective action plan should be developed to ensure that the objectives set out in the homelessness strategy are achieved.

- 9.3 The amended *Homelessness Code of Guidance* published in February 2018 under the Homelessness Reduction Act 2017 states that additional duties introduced through the 2017 Act should be incorporated into a local authority's homelessness strategy including the involvement of all relevant partners for earlier identification and intervention to prevent homelessness and establishing effective partnerships and working arrangements with agencies to facilitate appropriate duty to refer referrals.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The financial implications of the priorities of the Housing Strategy for Reading 2020-2025 will be reviewed and managed within available resources prior to key decisions being implemented.
- 10.2 Reading's Preventing Homelessness Strategy 2020 - 2025 runs in parallel to legislation that outlines the Council's duties in preventing and relieving homelessness under the Housing Act 1996, as amended by the Homelessness Act 2002 and Homelessness Reduction Act 2017. The cost of these statutory duties will be met by Reading Borough Council's General Fund, with funds contributed from central government under Flexible Homeless Grant. The Strategy and Delivery Plan are consistent with the Council's likely available resources to manage homelessness over their proposed period. The Strategy and Action Plan have been developed to ensure the best use of Council resources, managing and minimising costs associated with the use of emergency and temporary accommodation.

## **11. BACKGROUND PAPERS**

- 11.1 Homelessness Strategy 2019 - 2024 and Rough Sleeping Strategy 2019 - 2024, Housing, Neighbourhoods and Leisure, 3<sup>rd</sup> July 2019.

# Housing Strategy for Reading 2020- 2025

## **Foreword by Councillor John Ennis Lead Member for Housing**

I am delighted to introduce the Housing Strategy for Reading 2020-2025. A warm and safe home is the foundation for good health and education, strong connected communities, a sustainable environment and a thriving population. This is fundamental for all residents of Reading regardless of income, age or location. With the Housing Strategy 2020-2025 Reading Borough Council are leading the way in the provision of homes and services our communities need to flourish.

Reading Borough Council declared a Climate Emergency in 2019, highlighting the importance of every aspect of our work in mitigating the impact of climate change, and helping meet our target of net zero carbon dioxide emissions by 2030. Reducing the emissions from people's homes is a critical part of achieving this target and I am proud that, as set out in this strategy, that we as a council are forging the way in reducing the carbon emissions from both new and existing properties.

Since the production of our last Housing Strategy, Reading has grown into one of the most important towns in the country, and strongly influences the prosperity of the South East region. Reading is a clear urban centre of the Thames Valley and even in these challenging times, Reading is in an enviably robust position to continue to thrive. However, this expansion and development does not come without its challenges; it is critical that all residents are supported to make the most of opportunities that arise both in terms of accessing decent accommodation and in keeping the accommodation they already have.

The transition from house to home is rooted in quality of life for our residents. The Housing Strategy for Reading 2020-2025 seeks to achieve this by delivering a sustainable supply of accommodation; improving the condition of our current stock; and reviewing the services needed to support people to live confidently in properties and areas that they are proud of. We know that by improving the environment in which our residents live, we will create a brighter future for communities across Reading. I am looking forward to our vision for decent and affordable housing being turned into a reality."



## Introduction

Reading Borough Council is in the South East of England, 41 miles west of London, and is one of the six unitary authorities within the County of Berkshire. The urban area centred on Reading extends beyond the Borough boundaries into West Berkshire and Wokingham and has strong travel to work links with Basingstoke and North Hampshire along the A33 corridor. It is a densely populated urban area covering 40 square kilometres, a small geographical area in comparison to our neighbours.

The Thames Valley area has been highly successful in attracting key investment in sectors such as computing, research and development, business and financial services, telecommunications, pharmaceuticals and the automotive industry. Reading itself has seen a dramatic change in the structure of its economy over the past 30 years and is now home to the largest concentration of ICT corporations in the UK. It is the service and financial centre of the Thames Valley region and beyond. It has a large number of business parks and industrial areas with several more just outside its boundaries in adjoining districts. In economic terms, the Thames Valley is one of the most buoyant areas in the UK and is often seen as one of the key drivers of the national economy. An important factor in Reading's success is its connectivity, successfully acting as a regional transport hub and major transport interchange. Reading provides the main rail gateway to parts of the South West, Midlands and North of England with links nationwide and internationally. This connectivity has increased over the last 10 years as major improvement works were completed to junction 11 of the M4 and to the main railway station. Links to London will soon be further enhanced by the imminently open Elizabeth line connecting to the London tube network. For the last 10 years wages have remained high, and unemployment low.

However, the success of Reading with its strong resilient economy is not the complete picture and masks some wider social issues. Within a small geographical area, Reading combines some very affluent communities with more deprived neighbourhoods where poor health, lack of skills, unemployment and poverty are features. It is the Council's view that growth must be inclusive, and it is important that all parts of our community are connected and are able to thrive.

Published at a time where the full impact of the worldwide Covid-19 pandemic is yet to be understood, Brexit is in progress but not fully implemented and two significant white papers (Planning and Social Housing) are due by the end of the year, the delivery of the Housing Strategy for Reading 2020-2025 will need to adapt to the changing national picture. But the aims and ambitions of the Council in relation to housing in the town are clear, and they will continue to provide a steer for the strategic delivery of all housing related programmes and services until 2025.

## Key facts about Reading



Estimated 159,864 residents in 65,307 households in 2020 - projected to rise to 161,804 residents in 68,621 households by 2040  
(ONS 2018 projections)



Proportion people aged 65+ to increase from 8.3% to 12.4% by 2040  
(ONS 2018 projections)



10 lower layer super output areas (LSSO) in worst 20% deprived nationally & 2 in worst 10%  
(Index Multiple Deprivation 2015)



35% of the population identify as Black or Minority Ethnic.  
(2011 census)



55% homes in Reading owned, 26% private rented & 16% social rented, 3% other  
(Census 2011)



996 licensed HMOs & 200 new applications  
(RBC – as at March 2019)



6,852 Council owned homes  
(RBC July 2020)



Average property asking prices - 1 bed flat: £182k, 2 bed flat: £258k, 2 bed house: £266k, 3 bed house: £338k, 4 bed house: £462k  
(Zoopla - as at July 2020)



Average asking rental prices - 1 bed flat: £692pcm, 2 bed: £1,214pcm, 2 bed house: £1,071pcm, 3 bed House: £1,296pcm, 4 bed house: £1,537pcm.  
(Zoopla - as at July 2020)



547 affordable housing lettings in 2019/20  
(RBC-July 2020)



3,417 households on the Housing Register  
(RBC -May 2020)



1,066 households approached the Council at risk of homelessness in 19/20  
(RBC- July 2020)

## What do we want Reading to be?

The Reading 2050 Vision<sup>1</sup>, developed by project partners Barton Willmore, Reading UK and the University of Reading, aims to establish Reading as an internationally recognised and economically successful city region. Developed through extensive consultation with the wider community, it envisages a place where the built environment, technology and innovation have combined to create a smart, dynamic and sustainable city, with a high quality of life and equal opportunity for all.

By 2050 it envisages that Reading will be a smart and sustainable city that

- Shares success to support and enable thriving communities;
- Delivers a real sense of place and identity;
- Thrives on cultural and cross-generational diversity;
- Is recognised for its heritage and natural assets;
- Embeds technology to deliver innovation and low carbon living for all; and
- Welcomes ethical and sustainable businesses who support Reading.

The Reading 2050 vision can only be achieved by the Council, businesses, local organisations, communities and people working together.

The overall vision for housing in Reading, linked to the Council's Corporate Plan 2018-21, is simple but ambitious. It is:

***“For all our residents to have the opportunity to live in a good quality, sustainable home they can afford, within a thriving neighbourhood.”***

Reading is a small, tightly constrained urban Borough with limited land available for new homes. We need to make the best use of existing housing and to do everything possible to increase the supply of housing, and particularly of affordable homes.

But we recognise housing is more than just numbers and more than just bricks and mortar – it supports the economy, prevents homelessness, helps create vibrant and sustainable communities and provides a foundation for the health and wellbeing of residents.

In addition to the documents referenced within the priorities below, this strategy should be read in conjunction with the following:

- Reading Borough Councils Corporate Plan 2018-21
- Domestic Abuse Strategy for Reading 2019 – 2022

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<sup>1</sup> <https://livingreading.co.uk/reading-2050>, access July 2020

## How will we do this?

In line with the Council's Corporate Plan and our 'Team Reading' approach we recognise we can only make a real difference to our Borough and the people who live here if we work together – recognising what drives each of us and combining the strength and skills we all have as individuals or separate organisations into something far more effective.

To deliver that vision, collaboratively across services within the Council and beyond, we have identified 3 over-arching themes which were overwhelmingly endorsed by key partners from across the housing sector as part of the initial consultation on this strategy.

Under each theme we have identified 2 key priorities that were proposed by the Council and our housing partners as part of our Strategy consultation.

### **Supply of Accommodation**

- **Priority 1:** Deliver high quality and sustainable homes and neighbourhoods.
- **Priority 2:** Facilitate a supply of housing that will meet the identified needs of all residents

### **Quality of Accommodation and Neighbourhoods**

- **Priority 1:** Enhance the quality, safety and sustainability of existing homes
- **Priority 2:** Create attractive and connected neighbourhoods

### **Support to Residents**

- **Priority 1:** Prevent homelessness and help people sustain their accommodation
- **Priority 2:** Enable residents to access support, maintain their independence and have a voice in respect of the services they receive.

Future national policy announcements and legislation changes, including potentially significant changes to the planning system and the Housing White Paper, may impact on the delivery of these priorities but will not change the overall ambition Reading Borough Council has for the town. Each year, working with our housing partners, we will carry out an annual progress review and agree an annual programme of work set against these themes and priorities within any new or emerging national framework.

## Supply of Accommodation

### Overview

*This theme focuses on new supply across all tenures and the need to offer a range of sustainable housing in the Borough that meets the needs of existing and future residents and supports the continuing economic growth of Reading. It recognises the challenge of affordability and the need to look at who should have priority for social and affordable housing. It also confirms our aim to make efficient use of the Borough's current housing stock. All actions within this theme should be considered within the context of two overriding principles - high quality place-shaping and environmental sustainability, and actions for delivery will continue to be monitored and modified to reflect the changes to national policy and emerging Planning White Paper.*

<b>Priority 1: Deliver high quality and sustainable homes</b>
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Reading Borough Council recognises the importance and impact of high-quality homes and neighbourhoods on both the health and well-being of residents and the economic success of the town. Until the start of 2020 the housing market in Reading continued to thrive with strong competition for land and large-scale developments in progress predominantly within the town centre. Reading's location has always facilitated economic opportunities, and the imminent opening of the Elizabeth Line linking Reading directly to central London via the underground system has enhanced the town's connectivity further and led to an additional increase in the delivery of new homes.

Reading is, however, a small urban authority with limited land opportunities. Recent developments in progress or with planning permission have predominately been town centre flatted developments targeted towards young professionals and those that may look to commute to London for work; this includes the town's first 'Build to Rent' homes of which there are almost 2000 potentially to be delivered in the next 5 years. The challenge remains for the Council to ensure that a range of family sized homes is also provided to residents in Reading. Developers will be encouraged to promptly deliver the planning applications permitted in the town, as at August 2020 there were 2,765 homes across 125 approved developments that had not yet started. Remaining opportunities for new developments and regeneration within the town, including those owned by the Council, will be carefully managed to ensure effectively place shaping and the continuation of a high-quality built environment for residents to live and thrive in. The full impact of the Covid-19 pandemic on the economy and housing market is yet to be fully understood, and detail is still required in relation to the recent announcement of significant changes to the national planning system, therefore the Council and partners will remain flexible and will adapt their approach to ensure that priorities are delivered within any changes to the context and framework that new housing will be delivered within.

### **STRATEGIC HOUSING MARKET ASSESSMENT**

Housing demand and need was quantified through the Berkshire Strategic Housing Market Assessment (SHMA) which reported in February 2016. For Reading Borough that assessment identified a need for 16,077 new homes (699 a year) between 2013 and 2036. Of those new homes the SHMA identified the need for 58% (406 a year) of those new homes to be affordable – reflecting how far property prices and private rent levels are beyond the means of the ‘average’ resident.

## LOCAL PLAN

Reading Borough Council’s existing Local Plan was adopted in November 2019. The local plan, and supporting supplementary planning documents, set out our planning policies for development in Reading up to 2036, and is the main consideration in deciding planning applications. It is a critical frame work for the Council and partners in terms of shaping the future of Reading, as it not only identifies the amount of development that will take place, the areas and sites where development is expected to be accommodated, but also how wider strategic objectives will be achieved. Reading has a buoyant and strong economy resulting in significant investment in the town, and it is critical that this growth continues in a way that is inclusive to all residents with a focus on skills and employment opportunities. Whilst protecting and celebrating the town’s historic legacy, development needs to ensure that Reading remains progressive and able to accommodate a diverse range of business, leisure and housing opportunities and needs. The Council declared a Climate Emergency in 2019, and the local plan set out its commitment to work towards achieving a carbon neutral Reading by 2030.

Reading Borough Council notes the announcements in the Planning White Paper<sup>2</sup>, published in August 2020, and its potential impact on an areas Local Plan and wider planning policies. At this time, due to the high-level nature of the white paper and the lack of clarity in respect to the detail, no immediate change will be made to local policy and practice. The Council has responded to the consultation and has highlighted the importance of ensuring the continued delivery of Affordable Housing and high-quality sustainable homes.

The Local plan has 9 key objectives, listed below are those that connect with our strategic approach to housing.

- Make the most efficient use of Reading’s limited land, particularly previously developed land, to ensure that as many new homes as possible are delivered to meet identified needs, particularly needs for affordable housing
- Improve the quality of life for those living, working, studying in and visiting the Borough, creating inclusive, sustainable communities with good access to employment, open space and water space, transport, education, services and facilities (such as sustainable water supplies and wastewater treatment, healthcare services, social and community facilities, sport and recreation, etc.) to meet identified needs
- Ensure that Reading is a healthy, clean, safe and socially inclusive community where the needs of all its citizens are met by high quality, cost effective services and outstanding levels of community involvement.

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<sup>2</sup> <https://www.gov.uk/government/consultations/planning-for-the-future> - accessed September 2020

Further detail can be found here: [https://www.reading.gov.uk/media/10410/Reading-Borough-Council-Local-Plan/pdf/Local\\_Plan\\_Adopted\\_November\\_2019.pdf](https://www.reading.gov.uk/media/10410/Reading-Borough-Council-Local-Plan/pdf/Local_Plan_Adopted_November_2019.pdf)

## **THE READING CLIMATE EMERGENCY STRATEGY 2020-25**

Following the declaration of a climate emergency in Reading in 2019, in March 2020 the Reading Climate Change Partnership launched a consultation on a Climate Emergency Strategy for Reading 2020-2025.

The draft vision for 2025 is for a Reading which is working rapidly towards:

- net zero carbon dioxide emissions by 2030 and
- being resilient to the impacts of a changing climate

Significant progress has been made on this agenda as Reading's per capita carbon emissions have fallen by 50% since 2005 – the largest reduction of any local authority area in south east England. But to reach the ambition of the town producing zero net carbon by 2030, further action is needed. Housing is a key part of delivering this strategy, with 40% of Reading's 'carbon footprint' arising from domestic sources (heating, lighting and appliances).

The first of the four priorities with the draft strategy is:

- Retrofitting and building new homes and other buildings to low/zero carbon standards

Pioneering net zero carbon standards for new homes have been enshrined in the Reading Local Plan which governs future development across the Borough, and leading schemes within the Council's own Local Authority New Build programme are to be built to Passivhaus principles resulting in a zero net carbon impact of the new, affordable homes in the town.

Further details can be found here: [https://consult.reading.gov.uk/dens/reading-climate-emergency-strategy/user\\_uploads/reading-climate-emergency-strategy-2020-25---consultation-draft-for-rbc-policy-committee-9-march-20.pdf](https://consult.reading.gov.uk/dens/reading-climate-emergency-strategy/user_uploads/reading-climate-emergency-strategy-2020-25---consultation-draft-for-rbc-policy-committee-9-march-20.pdf)

## **EMPTY HOMES STRATEGY**

In 2019 there were 571 private homes registered as Long-Term Empty Homes (unoccupied and/ or unfurnished for over 6 months) on the Council Tax system within the Reading boundaries. Most have been unoccupied for less than a year with a few being empty for a decade. These properties are located throughout the Borough with the majority within the more densely populated areas. The number of Long-Term Empty Homes increased to 571 in 2019 from 387 in 2018, after previously showing a reduction, predominately due to a slower housing market that has resulted in the delay of some new build properties being occupied. Reading does, however, continue to have a prevalence rate of Long-Term Empties that is in line with most urban areas.

Reducing empty homes in the town has multiple benefits to the community. Ensuring all homes are utilised increases the supply available for households within Reading, and it also often resolves concerns raised by neighbours that include the unsightliness of derelict homes, fly-tipping, vandalism, damage to neighbouring property, squatters and fire-setting.

Reading Borough Council has recently published its most recent Strategy for reducing empty homes in the town - Empty Homes Strategy 2020 – 2026. This sets out how the council will reduce the number of Long-Term empty homes whilst achieving the following aims:

- Maximising use of existing homes
- Improving Neighbourhoods
- Solving Problems for Owners.

Further details can be found here:

<https://democracy.reading.gov.uk/documents/s10639/Appendix%20%20Draft%20Strategy.pdf>

Key outcomes for this priority:

- 15,433 new homes provided in Reading between 2013 & 2036 – 671 per year
- All major new-build residential development will be designed to achieve zero carbon homes as part of Reading's drive to be carbon neutral by 2030
- Reduction in long term empty properties in Reading

<b>Priority 2:</b> Facilitate a supply of housing that will meet the identified needs of all residents
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Research indicates that an annual income of £72k is required in order to be able to afford to buy an average three bed house in Reading, and a household income of £32k to be able to afford to rent an average 2 bed property.

Demand for Affordable Housing continues to outstrip supply, with pressures on all types of accommodation from specialist housing through to family homes. The number of council owned homes continues to fall a result of tenants purchasing their homes via the Right to Buy process, with 621 homes sold since 2001 and 4,188 sold since the Right to Buy was introduced.<sup>3</sup> In June 2020 there were 3,417 households registered with the local authority for an affordable rented home.

At first glance, analysis of the Housing Register suggests that there is high demand for smaller homes, with 40% requesting a 1 bed property. However, when considering only those on the register that have an identified housing need (bands A-E on the Housing Register) the break down in requested homes is as follows:

- 1 bed property - 31%

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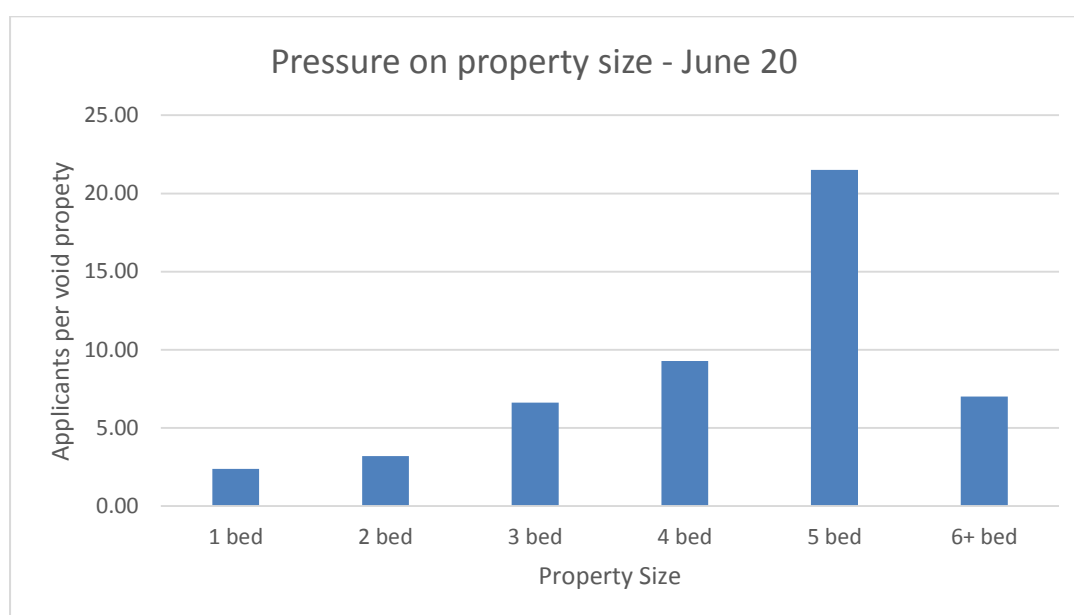
<sup>3</sup> As of December 2019



- 2 bed property - 29%
- 3 bed+ property - 40%

In addition, when reviewing pressure on Affordable Housing, it is necessary to factor in the known supply. Churn in our existing Affordable Housing in the town has increased in the last 3 years, but only 20% of the available homes to let in the financial year 19/20 were family homes with 3 bedrooms or larger.

Therefore, when the demand for Affordable Housing is considered in terms of pressure on each sized property (number of applicants per empty property available) it highlights that there is an on-going challenge in Reading to meet the needs of households requiring larger family sized homes:



The location and style of the permitted new build housing developments in Reading also indicate that a high percentage of the affordable homes delivered via the planning process in the next 3-5 years will also be smaller homes, predominately flats. The council therefore continues to have a strategic objective to increase the supply of larger affordable homes through work with developers, partners and via our own delivery of new build council housing.

The delivery of new Affordable (Social) Housing is only one route to enabling accessible homes for low income households. The large private rented sector in Reading is an option for many households, and the Council will continue to work with partners to ensure a supply of quality homes within this sector, including via the Council's flagship Rent Guarantee Scheme<sup>4</sup> and separate arm's length company - 'Homes for Reading'<sup>5</sup>.

In additional to households on a low income, specialist housing is also required for other sectors of our community, including key workers and adults with additional needs.

<sup>4</sup> Details can be found here: <https://www.reading.gov.uk/rgs>

<sup>5</sup> Details can be found here: <http://homesforreading.co.uk/>

## **AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT**

Due to the high competition for limited land within Reading, the majority of new Affordable Housing in the town is delivered via the Section 106 process within the planning process. This process secures, subject to viability considerations, a percentage of properties of each new housing development as Affordable Housing. Depending on the type of developments the affordable units will either be sold to a Registered Provider (also known as a Housing Association) to manage as Affordable Housing or managed by a 'Build to Rent' landlord.

To support the Reading Borough Local Plan (adopted November 2019) in achieving affordable housing objectives and to provide a clear policy framework for the S106 process, a new Affordable Housing Supplementary Planning Document (SPD) will be published. It will replace the previous Affordable Housing SPD, adopted in July 2013.

In line with adopted policies, the SPD applies to residential developments of one dwelling or more, except for:

- Replacement of a single dwelling with another single dwelling; and
- Conversion of a dwelling to self-contained flats where there is no new floorspace.

The policy will not be applied to student accommodation or proposals for serviced apartments, unless

- they are being developed on an allocated housing site or a site where residential development and affordable housing provision would have been anticipated; and
- in the case of an apart-hotel, arrangements for accommodation allow tenancies of more than 3 months.

Affordable housing provided in line with this SPD includes housing for those on low incomes, those defined as 'key workers' whose earnings are insufficient to enable them to afford market price housing, and households with special/supported housing needs such as those in need of NHS Care or other forms of community care. It will include the forms of housing for vulnerable people where such housing is being provided as affordable accommodation.

'Build to Rent' is a relatively new type for development for the UK, where developments of 50 units or above are retained by a single company and let to individual households. National guidance for the S106 requirements for these schemes enables the same landlord to retain and manage the homes which form the Affordable Housing offer, and the local policy framework for these developments will also be set out in the SPD.

Consultation on the draft Affordable Housing SPD will be launched in the Autumn of 2020 and will be available on the Reading Borough Council website.

## **LOCAL AUTHORITY DEVELOPMENT AND REGENERATION PROGRAMME**

Reading Borough Council has a commitment to supporting the delivery of Affordable Housing in the town. In 2012 legislation changed which enable Local Authorities to again build or purchase properties to enable new Council Owned Affordable homes.

As part of this programme the Council has delivered 172 new Council owned homes, and c.200 further homes are in progress and are expected to be delivered by 2025.

All new build homes will be built on land owned by the Council, and further opportunities are being scoped and feasibility completed. These opportunities include both infill on existing sites owned by the Council, and opportunities for regeneration of homes and neighbourhoods to achieve an improved environment for all our communities. The regeneration and redevelopment of existing estates will include options for modernising Council owned Sheltered Housing properties linking in with needs of Adult Social care services, as although no additional homes of this type are currently required, we need to ensure that the offer remains attractive to future generations of older people.

The regeneration opportunities will link in with the Council's Asset Management Strategy, due to be published in 2021, which identifies opportunities for improvements and an increase in density to existing stock.

The Council has reached the position where most adhoc infill housing development opportunities have been completed, requiring a more strategic and interconnected plan for development for the short and medium term. A 20-year Development and Regeneration programme will be agreed by March 2022.

### **ALLOCATIONS POLICY REVIEW**

Reading Borough Council's Allocations Scheme sets out the framework used to determine who gets priority for Affordable Housing in the town. It is a legal requirement for every Local Authority to publish an Allocations Scheme and regularly review it to ensure it is legally fit for purpose and meets resident's needs.

The Allocations Policy includes the framework for how residents in larger homes that they no longer require or that meets their needs, can be supported to move in to a more suitable accommodation. This will both support a person to remain living independently for longer and increase the supply of family sized homes for those that need them.

The Housing Service intends to review the current scheme within 20/21 to ensure it is clear and transparent, is in line with new legislation (such as the Homelessness Reduction Act) and contributes to the creation of sustainable communities. The Housing Service will work closely with Brighter Futures for Children to ensure that the needs of Foster Carers, Care Leavers and families with disabled children are adequately prioritised. Consultation on the proposed refreshed scheme will be completed with the final version published by Summer 2021.

### **ACCOMMODATION WITH CARE STRATEGY**

Ensuring the availability of specialist accommodation for adults with additional needs, who are unable to remain in the own home, continues to be a priority for the Council and specifically Adult Social Care. There is no one option that fits all residents with a disability or

those requiring additional support; the options required within the town include, but are not limited to, the following:

- **Nursing Care** – high level support including medical interventions.
- **Residential Care** – 24 hours support, including personal care, without individual tenancies.
- **Extra Care Housing** – Residents have individual properties and tenancies, support provided on site.
- **Supported Living** - residents live independently with support purchased separately.
- **Shared Lives** – Individuals live with approved carers.

In order to ensure that the right provision is available for the residents of Reading when they required it, a detailed needs analysis, gap analysis and market review is currently underway. This will feed in to a specialist 'Accommodation with Care' strategy due to be published in Spring 2021.

Key outcomes for this priority:

- *30% of all new housing developments of over 10 properties to be affordable*
- *Updated Affordable Housing Supplementary Planning Document (SPD) for Reading which provides developers and land owners with clear guidance on affordable housing requirements from new developments*
- *200 new rented affordable Council properties by 2025*
- *Opportunities identified on other Council-owned land for regeneration and intensification, captured in a clear 20-year development programme.*
- *Increase in existing family homes being available for those that need them*
- *Continued use of high-quality private sector housing for households seeking accommodation.*
- *Large-scale Build to Rent proposals in the town to have a positive impact on the local area and to be accessible for local people*
- *Delivery the Accommodation with Care Strategy*

## Quality of Accommodation and Neighbourhoods

### Overview

*This theme focuses on our aim to improve the quality of existing housing and neighbourhoods. It confirms the need for us to work together to improve design, tackle poor standards of accommodation in all tenures, and ensure homes are safe, warm and sustainable. We intend to improve the quality of our estates including the public realm, and it also reflects our ambition to improve the quality of service provided by all housing providers, landlords and housing support services. Residents views will be central to shaping these services.*

<b>Priority 1: Enhance the quality, safety and sustainability of existing homes</b>
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The 2017 fire at Grenfell Towers highlighted the importance of safe, well maintained homes for resident's safety. Prior to that tragedy the impact of poor-quality housing nationally was evident. Each year hazards in the home result in unnecessary injuries, episodes of ill-health, and harm to mental health, and in many cases the occupiers do not link the poor condition of their homes with a potential negative impact on their well-being. The poorest housing stock can be found in the private sector, and in some cases residents who own their own homes are not able to maintain them and as a result hazards can develop.

The previous theme outlined the Council's commitment to reducing the impact of climate change in the draft Climate Emergency Strategy for Reading 2020-2025. The draft strategy also sets out the partnership's ambitions to complete a 'deep retrofit' of existing homes in Reading along-side a programme of education and support to residents to enable energy efficient lifestyles. This focus continues to run through all the content of this Housing Strategy. Any Carbon offset funds collected under the Council's 'Zero Carbon Homes' Local Plan policy will be ear-marked to support retrofit of carbon reduction measures to existing housing in the borough, one of the highest priorities identified in the draft Reading Climate Emergency Strategy 2020-25. The details of any scheme(s) to be approved by the RBC Climate Programme Board.

### **ASSET MANAGEMENT STRATEGY – COUNCIL OWNED HOUSING**

Reading Borough Council remains the largest social landlord in the town, with 6,852 homes (as of the 29<sup>th</sup> July 2020). 1,273 of these properties are managed and maintained by a separate organisation called Affinity Housing as a result of a 30 Year Private Finance Initiative (PFI) in 2005

To ensure the long-term standards of the properties a 30-year repairs and maintenance plan, which includes the properties currently managed by Affinity from the point that the PFI contract ends in 2035, forms part of the wider Asset Management Strategy held by the Housing Service. A refreshed Strategy is due to be publish in summer of 2021.

The new Asset Management Strategy 2021-26 will include the implications of the draft Building Safety Bill<sup>6</sup> which takes forward reforms to the building and fire safety systems and includes wider recommendations of the inquiry into the Grenfell Towers tragedy in 2017. Retrofitting of sprinklers in Council owned high-rise flats has already started.

The Asset Management Strategy will also include an extensive climate-conscious retrofit programme of Council owned homes to support the delivery of the Reading Climate Emergency Strategy 2020-25.

### **PRIVATE SECTOR STOCK CONDITION**

Of the projected 65,307 households in Reading in 2020, 54.8% of the housing stock in Reading is owned by the occupier, and 26.1% is privately rented. The Government requires that private sector housing conditions are known, understood and duly acted upon on an ongoing basis. The Housing Act 2004 states that 'a local authority must keep the housing conditions in their area under review with a view to identifying any action that may need to be taken by them.' Good practice dictates that private sector house condition surveys are conducted every five years and no longer than every seven years. With the last Private Sector Stock Condition Survey completed in 2013, Reading Borough Council is in the process of completing an updated survey for 2020.

Once published the survey will enable the Council and wider partners to:

- Improve knowledge on the general condition of the private sector housing stock in the Borough to inform housing policy and enable targeted interventions.
- Identify the number, location and distribution of non-decent homes in the Borough
- To assess the extent to which the Council may need to exercise its powers in relation to private sector renewal to address non-decent homes, houses in multiple occupation, area improvement and group repair in relation to both the private rented and privately-owned tenures.
- To provide information on the energy efficiency rating of dwellings in the Borough to support the delivery (specifically the required retrofit of properties) of the Reading Climate Emergency Strategy 2020-25.
- To provide information on the type of hazards present in dwellings within HHSRS hazard Bands A - D together with the social, economic and health characteristics of occupants. This will enable cross-referencing with other datasets to support strategic planning between the Council and partners on areas such as public health and community safety.

Running in parallel with the Stock Condition Survey, is the on-going cross tenure activity to implement the recommendations within Dame Judith Hackitt's Independent Review of Building Regulations and Fire Safety<sup>7</sup> published in May 2018. This review was started as a

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<sup>6</sup> <https://www.gov.uk/government/publications/draft-building-safety-bill>

<sup>7</sup> <https://www.gov.uk/government/collections/independent-review-of-building-regulations-and-fire-safety-hackitt->

result of the Grenfell Towers tragedy in September 2017 and has influenced the Draft Building Safety Bill published in July 2020<sup>8</sup>.

The implications and requirements of both the Stock Condition Survey and actions required as a result of the new building safety legislation will be captured in a private sector action plan.

## **READING RENT WITH CONFIDENCE SCHEME**

In 2018, Reading Borough Council launched the Reading Rent with Confidence (RRWC) scheme, which rates properties and their landlords based on clear criteria. The RRWC Scheme encourages landlords to work with Reading Borough Council to provide tenants with good quality accommodation and good property management services. The RRWC Scheme is based upon three tiers of banding: (1) Bronze; (2) Silver and (3) Gold. The tiers reflect the different levels of private sector standards each with different criteria, with Gold being the highest.

The scheme encourages, acknowledges and actively promotes good standards of privately rented accommodation with the aim of assisting Landlords, Letting Agents and tenants to undertake their respective responsibilities to each other. The scheme is accessed via the Reading Borough Council website also provides designated officer support to landlords, advice and information to both landlords and tenants, and lists properties that have met the criteria for each tier of banding.

Based within the Private Sector Housing Team is a specialist in the Consumer Rights Act to support tenants and landlords with their rights and responsibilities in relation to the management of deposits.

Further details can be found here: <https://www.reading.gov.uk/rrwc>

## **HOUSES OF MULTIPLE OCCUPATION (HMO) LICENSING**

An HMO is a house or flat that is:

- occupied by three or more people forming two or more households who share – or the building lacks – a basic amenity such as cooking facilities, bathroom or toilet;
- occupied by more than one household (as above) and is a converted building but is not entirely self-contained flats (whether or not some amenities are shared or lacking);
- converted into self-contained flats, but does not meet the requirements of the 1991 Building Regulations, and at least one third of the flats are occupied under short tenancies;

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[review#:~:text=The%20Independent%20Review%20of%20Building,regulatory%20system%20for%20the%20future](#)

8

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/901867/Draft\\_Building\\_Safety\\_Bill\\_Web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/901867/Draft_Building_Safety_Bill_Web.pdf)

and is occupied by more than one household

- as their only or main residence; or,
- as a refuge by persons escaping domestic violence; or,
- during term time by students; or,
- for some other purpose that is prescribed in regulations.

In 2006 HMO licensing was introduced to ensure that the poorest and highest risk properties in the private rental market meet the legal standards and are properly managed. It helps to identify high risk HMOs and enables resources to be targeted at improving them. In certain circumstances the Council has the power to step in and take over the management of the property to protect the tenants and others affected by the operation of the HMO.

In 2018, Mandatory HMO licensing was extended to include any private sector HMO in which there are five or more occupiers. The only exception is if the HMO is a flat in a purpose-built block that contains three or more flats. At its introduction it was expected that this change would require a further 2,000-3,000 properties to be licenced, and the Council is still actively encouraging and pursuing over 200 landlords to support them to submit their licence application.

Further details can be found here: <https://www.reading.gov.uk/hmo>

Key outcomes for this priority:

- *Asset Management Strategy for Council owned stock to be published, with details of the carbon neutral retrofit require to meet the Council's Climate Change Emergency objectives, and any implications of the draft Building Safety Bill 2020.*
- *Increased amount of private sector properties retrofitted to improve energy efficiency*
- *All Private Sector landlords with properties with 5 or more occupiers are licenced.*
- *Increased take up of the 'Reading Rent with Confidence' scheme.*
- *Production of a Private Sector Action plan which will be informed by the Private Sector Stock Condition and will deliver the private sector implications of:*
  - *The Hackitt Report 2018*
  - *Draft Building Safety Bill 2020*
  - *Draft Climate Emergency Strategy for Reading 2020-2025*



<b>Priority 2: Create attractive and connected neighbourhoods</b>
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In 2020 Reading has experienced the devastating impact of both the worldwide Covid-19 pandemic, but also a horrific and violent attack in Forbury Gardens, a popular town centre park. Throughout both these events the importance of communities coming to together, connecting and supporting each other was evident. Reading as a community can be proud of how they responded to the challenges it faced, but there is still action to be done to ensure that all members of our community feel safe and respected.

Over the last decade it has been a necessary and impactful focus on ensuring all homes in Reading meet a 'decent homes' standard, that residents to have good quality homes to enable them to be healthy and thrive. However, the health and well-being of an individual or family is also impacted by the community and neighbourhood around them. The quality of the external built environment, open space within our estates and the shared communal areas all effect a person's enjoyment of their home.

### **COMMUNITIES COHESION AND SOCIAL INCLUSION**

Inclusive growth remains a priority for Reading Borough Council, the economic success of the town needs to benefit all residents and all parts of our community. Equally the diverse demographic to the town is to be celebrated and enriches the wider community, and it remains a priority to ensure that all members of our society feel connected, and any barriers to social equality are identified and removed.

To ensure that this agenda has the focus it requires, a Social Inclusion Steering group is led by the Assistant Director of Housing and Communities. The aims of this programme are:

To build thriving communities by addressing inequalities (with a focus on responding to the Covid 19 emergency) by:

- reducing poverty (early intervention advice and assistance),
  - improving opportunities (access to work, education, skills and training),
  - connecting communities (understanding diverse communities and the barriers they face and actions to effect change),
  - meeting aspirations (access to arts and culture, green spaces and play),
  - building community resilience (facilitating small community groups to be productive as part of the fabric of communities,)
  - Keeping communities safe and well (tackling crime and access to services for wellbeing e.g. mental health, social isolation etc)
- To gather and analyse data to understand the levels of social exclusion in Reading with an emphasis on resident feedback and the lived experience of communities
- To have oversight of the social inclusion activity across the Council and the voluntary sector and a shared understanding of the interdependencies

- To help better co-ordinate the social inclusion activity across the Council and the voluntary sector and ensure there is good access to services and engagement opportunities
- To identify the gaps in activity and develop actions accordingly
- To develop, implement, oversee and monitor the delivery of a Social Inclusion Action Plan.

## **COMMUNITY SAFETY PLAN**

The Crime and Disorder Act 1998, with further amendments in the Police Reform Act 2002, placed statutory obligations on Local Authorities and the Police to work in co-operation with Health Authorities and other relevant agencies. The objective is to develop and implement a Partnership Plan which would tackle crime and disorder in their area.

This legislation requires the Partnership to produce a three-year plan detailing how it intends to tackle crime and disorder. This allows for the development of strategies to tackle short, medium and long term priorities.

The Community Safety Partnership (CSP) is required to carry out a strategic assessment of crime for its area. This was carried out towards the end of 2018. A similar approach was taken as was used in the previous assessment and reflected the changing nature of crime. Rather than scanning crime types within the area to identify how the CSP is performing in relation to these, it identified priorities by an assessment against Threat, Harm and Risk to individuals and to Reading as whole.

The strategic assessment identified and proposed new priorities for the CSP and these priorities were agreed by the CSP on the 25th April 2019 are:

- Exploitation - incorporating both Adult Exploitation and Modern Slavery.
- Violent Crime and Serious Anti-Social Behaviour - incorporating increasing violence against the person, knife possession and high level anti-social behaviour that has a significant impact on communities.
- Class A Drugs - incorporating drug visibility, drug dealing activity from within and outside Reading, and drug related anti-social behaviour.

Reading's latest Community Safety Plan will run until the end of March 2022, further detail can be found here: [xxx](#)

This is supported by the latest Anti-Social Behaviour Strategy for Reading which will be published in 2021.

## **NEIGHBOURHOOD IMPROVEMENTS ON COUNCIL OWNED ESTATES**

The Housing Service regular connects with residents to ask for feedback on their homes and services. A clear message received from households on council owned estates is that they are happy with quality of their homes, but that they would like to see improvements to their

wider neighbourhoods. Residents want to feel safe, to enjoy the public areas and to be proud of the area where they live.

In response a programme of work will be developed, in partnership with tenants, that will deliver neighbourhood improvements via three key routes:

- Physical improvements to the built up/ external areas
- Improvements to services in the areas to ensure they are coordinated and efficient (including cleaning, waste management and grounds maintenance).
- Communication campaign to encourage residents to look after their neighbourhood.

Key outcomes for this priority:

- *Development and delivery of the Social Inclusion Action Plan.*
- *Reduce the stigma felt by some affordable housing customers by identifying, consulting on and agreeing with residents' priorities for deliverable and affordable improvements to their neighbourhoods*
- *Delivering a refreshed Anti-Social Behaviour Strategy for Reading.*

## Support to Residents

### Overview

*This theme focuses on the need for our homes and the housing services we provide to help and support those in the most need. It recognises the need for better prevention and early intervention and our continued challenge to tackle rough sleeping and homelessness. The Housing Service will work in partnership with Brighter Futures for Children to tackle the emerging issues of Youth Homelessness and the preparation of vulnerable young people, such as Care Leavers, for independent living. It confirms our aim to help people sustain their homes or tenancies and continue to live independently if they wish to do so. We will ensure that a tenant's view is listened to and that residents help shape the housing services in the town.*

<b>Priority 1: Prevent homelessness and help people sustain their accommodation</b>
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### READING'S PREVENTING HOMELESSNESS STRATEGY 2020 – 2025

Reading's Preventing Homelessness Strategy sets out the borough's priorities and interventions, including the ways in which we propose to do things differently, to prevent and respond to homelessness in Reading.

The three priorities within the strategy are:

- **Priority 1 - Intervening early to prevent and reduce homelessness in Reading** is underpinned by our core themes to have universal approaches that provide advice and information for everyone and targeted upstream interventions that identify and address potential risk factors for homelessness.
- **Priority 2 - Supporting people who are vulnerable to recurring homelessness** is underpinned by supported sustainment to provide support and advice to any household at risk of losing their accommodation and pre-crisis interventions to prevent impending homelessness.
- **Priority 3 - Increasing access to decent, suitable accommodation** is underpinned by provision of accommodation and crisis interventions to help households secure suitable alternative housing when needed.

Further details on Reading's Preventing Homelessness Strategy 2020 – 2025 can be found here: [xxx](#)

### ROUGH SLEEPING STRATEGY 2019 – 2024

A key focus in preventing homelessness is to reduce rough sleeping. Rough sleeping is the most visible form of homelessness and it affects some of the most vulnerable in society.

Reading has a separate Rough Sleeping Strategy 2019 – 2024 which can be found at:

[https://www.reading.gov.uk/media/10275/Rough-sleeping-strategy-2019-2024/pdf/Rough\\_Sleeping\\_Strategy\\_2019 - 2024 FINAL.pdf](https://www.reading.gov.uk/media/10275/Rough-sleeping-strategy-2019-2024/pdf/Rough_Sleeping_Strategy_2019_-_2024_FINAL.pdf)

Key outcomes for this priority:

- *Delivery of the Reading's Preventing Homelessness Strategy and 2020-2025 Action Plan*
- *Delivery of the Rough Sleeping Strategy 2019-2024*

<b>Priority</b>	<b>2: Enable residents to access support, maintain their independence and have a voice to in respect to the services they receive.</b>
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Meeting Housing need is more than ensuring a supply of new homes. For many residents the home they want is the one they are in, they just require support to remain there whilst staying healthy and safe. Support may be required due to deteriorating or fluctuating health, financial crisis or long-term challenges to living independently.

Also, residents want to have some control over the areas they live. Alongside the building Safety implications of the Hackitt review, clear messages are heard about the importance of listening to tenants and allowing them to shape the services they receive from their landlord. Reading Borough Council is the largest landlord in the town, and it is committed to strengthening opportunities to tenants to co-regulate and shape the services they receive.

## **PRIVATE SECTOR RENEWAL & DISABLED ADAPTATIONS POLICY**

The refreshed Private Sector Renewal and Disabled Adaptations Policy was launched in April 2020.

The benefits of adapting a home are recognised as an effective way to improve the health and wellbeing of older people, and disabled adults and children with a disability. A more accessible home environment can improve independence, reduce risk and reduce reliance on assistance. As the body of evidence demonstrating the benefits of home adaptations grows, so does the recognition that the sooner they are installed, the greater will be the preventative benefits. A common theme in legislation and policy across the UK is the need for a more preventative approach to interventions, including adaptations, for older people, disabled children and adults, to maximize health and wellbeing.

Home adaptations can prevent falls, reduce hospital admissions, reduce reliance on care, avoid the need to move into residential care and significantly improve quality of life and wellbeing for individuals, their families and carers.

In 2015 the government introduced the Better Care Fund (BCF) to bring health and social care together in an integrated way. The fund is a combination of government funding from the Department of Health and the Ministry for Housing, Communities and Local Government (MHCLG) and includes the grant allocation for Disabled Facilities Grants (DFG). The 2017-19 Integration and BCF policy framework document lists the conditions that the BCF must be used to address. Funding must be used to contribute to the maintenance of adult social care services in each local authority, which also has a health benefit.

In Reading the Better Care Fund objectives are:

- Reduced admissions to residential and nursing care homes
- Reduce avoidable emergency admissions
- Assist disabled adults and children to remain in their own homes
- Prevent admissions to care and to assist with delayed transfers where possible.
- Falls prevention
- Cost avoidance of care
- Support for carers and families
- The assistance detailed in the refreshed policy has been designed to reflect these objectives.

The grants and services available within this policy are:

- Minor Adaptations (equipment provided and fitted)
- Mandatory Disabled Facilities Grants
- Discretionary Disabled Facilities Grant (Health & Wellbeing at Home Grant)
- Housing Assistance Grants and Loans
  - Housing Health & Safety Repairs Grant
  - Empty Homes Grant
  - Flexible Home Improvement Loan (Empty Homes)
  - Flexible Home Improvement Loan (over 60)
  - Flexible Improvement Loan for rented accommodation.

Further details on the policy can be found here:

[https://www.reading.gov.uk/media/1505/Housing-Adaptations-Policy/pdf/Private\\_Sector\\_Renewal\\_Disabled\\_Adaptations\\_Policy\\_Sept\\_2019.pdf](https://www.reading.gov.uk/media/1505/Housing-Adaptations-Policy/pdf/Private_Sector_Renewal_Disabled_Adaptations_Policy_Sept_2019.pdf)

Major Adaptations within council owned stock falls outside of the BCF funding so a separate budget is available within the Housing Service, allocated via the same DFG process.

## **WINTERWATCH AND TENANCY SUSTAINMENT SUPPORT**

Reading Borough Council recognises that where some residents may need significant support from specialist agencies, organised often by Adult Social Care, to sustain their tenancies many require low level support to help them understand how to maintain and manage their home. Housing Services have a team of specialist support workers who provide visiting support to more vulnerable Council tenants, who will also provide guidance on accessing other services.

In addition, the WinterWatch scheme works across all sectors to help ensure residents live in warm, energy efficient homes. Support from the WinterWatch scheme can include small repairs to the property, support to access the Private Sector Renewal team to complete more significant repairs, liaison with energy suppliers and advice on energy efficient use of the home. The reduction of cold inefficient homes helps prevent excess winter deaths, reduces fuel poverty and directly helps implement the objectives of the Draft Climate Emergency Strategy for Reading 2020-2025.

## **TENANT ENGAGEMENT AND CO-REGULATION**

All council and housing association landlords are required to meet the National Standards for housing services. Landlords are expected to share with residents how they perform against each of the standards and involve tenants in both shaping of how services are delivered and monitoring the outcomes achieved.

The standards are:

- The involvement and empowerment standard involves you in decisions about your home, neighbourhood and community, how we deal with and learn from your complaints and customer care
- The home standard looks after your home including day to day repairs and the quality of accommodation
- The tenancy standard manages your tenancies including allocating empty homes and collecting rent
- The neighbourhood and community standard manages your estate and community including neighbourhood management, local area co-operation and anti-social behaviour
- The value for money standard makes sure that the service we provide is effective and cost efficient

These standards may be reviewed within the expected Social Housing White paper but Reading Borough Council remains committed to ensuring the Housing Services performance is transparent to tenants and that they have a voice in how their service is delivered.

The aim of Tenant Involvement is to work in partnership with tenants to develop service design and influence how services are delivered in order to continuously improve and drive up standards and thereby increase tenant satisfaction.

For Tenant Involvement to be effective Housing Services needs to:

- Share information with tenants in a variety of ways
- Provide opportunities for tenants to express their views in a way that suits them

- Listen and act on tenants' views to improve the services provided
- Allow tenants to scrutinise performance
- Carry out robust and transparent evaluation of Tenant involvement to demonstrate the impact on services

The existing Tenant Participation Strategy ends this year and a new strategy, reflecting the requirements of the emerging white paper, will be published during 2021.

Key outcomes for this priority:

- *Effective use of Disabled Facilities Grant and other housing adaptation and intervention programmes to support independent living*
- *Utilisation of the Private Sector Renewal grants to improve the living environment for residents and prevent subsequent health issues.*
- *Provide advice and support, through the WinterWatch initiative, to over 250 households a year struggling to keep their homes warm.*
- *Publication of the replacement Tenant Participation Strategy*

## **Implementation, monitoring and review**

Reading's Housing Strategy will govern our strategic approach to housing in Reading until 2025. During a period of emerging policies and economic change we will ensure that it remains responsive and reflective of legislative change.

The strategy pulls together activity that is been delivered through a range of teams and services within Council and by external partners, with delivery of the housing related actions being monitored by the Housing Strategy Steering group, chaired by the Assistant Director of Housing and Communities



# **Reading's Preventing Homelessness Strategy**

## **2020 - 2025**

## Foreword by Councillor John Ennis Lead Member for Housing

I am very pleased to introduce Reading's Homelessness Strategy 2019-24, in which we set out the Council's priorities to prevent homelessness and identify how we will invest in services to protect our most vulnerable residents in Reading.

Homelessness is rarely caused by one single issue, and, whilst the lack of affordable housing continues to be a concern for Reading, homelessness is often a symptom of a range of complex interactions between a person's personal situation and wider structural and social factors outside of their control. It can impact anyone and often comes with a cascade of implications that can be incredibly hard to recover from without assistance of some kind.

The issue of homelessness requires a holistic response, which addresses the root causes at the earliest possible opportunity. Reading has always taken a preventative approach to tackle homelessness. It is not an issue that is easy to tackle at crisis point and therefore with this strategy we aim to build further on the work we already do to work more closely with individuals and to deal with the financial and societal issues that lead to homelessness crisis.

We intend to build on the successes of our previous strategy which over its lifetime saw a complete reduction in the use of unsuitable emergency accommodation for homeless families. We will work closely with partners to ensure that preventing homelessness is a key focus for all agencies in our town so that the triggers for homelessness are well understood, allowing earlier detection and intervention.

Whilst the full implications of the Covid 19 pandemic are yet to unfold, both as a serious ongoing health concern for our residents but also the financial impact on households and businesses; we recognise there will be significant challenges ahead, however we remain hopeful and optimistic that with this strategy we can implement exciting new opportunities to support some of the most vulnerable people in our town.

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## Summary: Our strategy at a glance...

Reading's Preventing Homelessness Strategy sets out the borough's priorities and interventions, including the ways in which we propose to do things differently, to prevent and respond to homelessness in Reading.

In developing our strategy, we have undertaken a full review of homelessness in Reading to consider our current services, those affected by homelessness, its causes and the resources we dedicate to it. We undertook consultation with officers from across the Council and with partners and the public. Their views have informed our strategic direction. Whilst some review findings are directly referenced throughout, our full review document titled *Review of Reading's Homelessness Strategy 2016 - 2021* can be found in Appendix 1.

It is our successes in reducing the number of households placed into emergency accommodation (Bed and Breakfast) and the introduction of the Homelessness Reduction Act in April 2018 that informed our decision to push forward with a new and ambitious strategy from 2020.

We still face several ongoing, new and overarching challenges including significant increases in the number of people approaching as homeless or at risk of homelessness, and a change in the profile of those approaching in crisis. Amid increases in numbers and case complexity we face the further challenge of limited accommodation supply, welfare reform, diminished resources and a commitment to wanting to sustain our reduction of households in Bed and Breakfast.

We commit to early upstream interventions meaning that our aim for 2020 - 2025 will be to shift our Service approach towards earlier, and the earliest possible, interventions for homelessness prevention. We plan to take an interventional approach to homelessness which is modelled on five core themes that underpin our three priorities as follows:

**Priority 1 - Intervening early to prevent and reduce homelessness in Reading** is underpinned by our core themes to have **universal approaches** that provide advice and information for everyone and **targeted upstream interventions** that identify and address potential risk factors for homelessness.

**Priority 2 - Supporting people who are vulnerable to recurring homelessness** is underpinned by **supported sustainment** to provide support and advice to any household at risk of losing their accommodation and **pre-crisis interventions** to prevent impending homelessness.

**Priority 3 - Increasing access to decent, suitable accommodation** is underpinned by **provision of accommodation** and **crisis interventions** to help households secure suitable alternative housing when needed.

A key focus in preventing homelessness is to reduce rough sleeping. Rough sleeping is the most visible form of homelessness and it affects some of the most vulnerable in society. Reading has a separate Rough Sleeping Strategy 2019 - 2024 which can be found at [https://www.reading.gov.uk/media/10275/Rough-sleeping-strategy-2019-2024/pdf/Rough\\_Sleeping\\_Strategy\\_2019\\_-\\_2024\\_FINAL.pdf](https://www.reading.gov.uk/media/10275/Rough-sleeping-strategy-2019-2024/pdf/Rough_Sleeping_Strategy_2019_-_2024_FINAL.pdf)

Our homelessness strategy will be delivered alongside our *Housing Strategy 2020 - 2025* which outlines our approach regarding enabling and building new homes and building housing of the quality, type and size that meets the borough's needs.

## Introduction

### Why have a homelessness strategy in Reading?

The straight-forward answer is that under the legislation of the Homelessness Act 2002 all local authorities are legally obliged to have one. At least every five years each authority should undertake a review of homelessness in their area; carry out a consultation and then use the results from both to inform their homelessness strategy, including the formulation of key priorities and an action plan.

Aside from the fact that it is a legal requirement, in Reading we realise that an effective homelessness strategy can ensure that we:

- Have a robust plan
- Are accountable for our response including to those groups most vulnerable to homelessness
- Understand and regularly revisit and review need, including causes of homelessness; what has been achieved and any new priorities that should be introduced
- Focus and re-focus resources where there is need and new priorities are identified
- Can ensure internal and cross-sector involvement in earlier identification and intervention to prevent homelessness
- Link to and are consistent with other relevant legislation, strategies, programmes and local plans within the local authority, homelessness sector and across other sectors such as health, justice and economic policy
- Have a well-rounded response in working with partners to seek joint solutions
- Consider cross-boundary and county-wide approaches with neighbouring authorities

### Partnership working

To deliver our homelessness strategy successfully, we realise that we must continue to develop our relationships with Reading's voluntary and community sector. Reading has a long history of organic, successful and ambitious voluntary sector organisations working in the interests of our residents. As a Council, we fully recognise the value that our community sector groups bring.

Homelessness is cross-cutting. We will work alongside the key legislation, strategies, programmes and local plans that govern and influence our other relevant sectors. We see the continuation of all these working relationships as crucial in achieving the aims of this strategy.

### Related strategies and policies

Our Homelessness Strategy links to the following outcomes of *Shaping Reading's Future: Our Corporate Plan 2018 - 2021*: Improving access to decent housing to meet local needs; protecting and enhancing the lives of vulnerable adults and children and promoting health, education, culture and wellbeing.

It also links to the Council's:

- Adult Social Care Strategy 2019 - 2022
- Community Safety Plan 2016 - 2019
- Domestic Abuse Strategy 2019 - 2022
- Empty Homes Strategy 2020 - 2023
- Health and Wellbeing Strategy 2017 - 2020
- Housing Strategy 2020 - 2025
- Policy for Housing Standards Regulation
- Reading Borough Local Plan 2013 - 2036: Housing Implementation Strategy March 2018
- Rough Sleeping Strategy 2019 - 2024

## Key achievements of our previous strategy

The Council established three key priorities in 2016 and created an Action Plan.

Our former priorities were to:

1. Increase the use and accessibility of the private rented sector
2. Prevent homelessness by supporting people to access housing and to sustain their accommodation
3. Increase the range and accessibility of information and advice available to enable people to make informed decisions about their housing situation

Since its publication, we have achieved significant successes against these priorities.

### To date we have:

- Reduced the number of households placed into emergency accommodation (B&B) from a peak of **178 in July 2016 down to 11 in March 2020**
- Sustained the number of households in emergency accommodation at an **average of 14 each month throughout 2019/20**
- Reduced the number of households living in temporary accommodation by more than half, **from 315 in March 2018 down to 150 in March 2020**
- Reduced the number of people found sleeping rough on 'a typical night' snapshot **from 31 in 2017 down to 28 in 2019**
- Fully implemented functions and structures that support the new Homelessness Reduction Act 2017 legislation, including referral mechanisms for the Duty to Refer now placed upon other public bodies

### We can attribute our successes to a range of responses including:

- Restructuring our Homelessness Prevention Team with separate focus upon single people and families to provide a more person-centred response that uses relevant experience, expertise and partner contacts that matches the profile of customers
- Introducing a triage team to maximise opportunities in identifying and preventing homelessness as early as possible and an upstream/early intervention team to support the introduction of the Duty to Refer in October 2018
- Ensuring robust placement, process, monitoring and performance management regarding those placed into B&B
- Increasing our supply and range of temporary accommodation including modular homes and temporarily repurposing homes earmarked for regeneration
- Securing private rented accommodation through payment of rent deposits, rent in advance and rental top-ups
- Increasing supply of permanent affordable accommodation including introducing the Private Rented Sector Offer in 2016, developing a wholly owned company for the provision of private sector homes, Reading's new build programme and utilising Right-to-Buy receipts to purchase properties on the open market
- Increasing private rented supply by launching a new Rent Guarantee Scheme (RGS) in July 2015 to provide landlords with an enhanced offer which reduces financial risk related to welfare reform and provides a protected income
- Offering money advice and pre-tenancy information sessions to RGS tenants to better equip them in tenancy management
- Commissioning housing-related support for tenancy sustainment and supported accommodation options

A full review of our Homelessness Strategy 2016 - 2021 can be found in Appendix 1.

It is our successes and recent legislative change that have informed our decision to review the current strategy early and push forward with a new and ambitious strategy from 2020.

## Homelessness in context

Despite the achievements of our previous homelessness strategy we still face significant challenges in continuing to prevent and relieve homelessness.

We strategize within a wider economic and policy arena. Leaving the European Union and the aftermath of the COVID-19 pandemic create further complexity and uncertainty. There will inevitably be adverse economic consequences for all residents and the local authority moving forward.

### The Homelessness Reduction Act 2017 and how it has changed the Council's response to homelessness

The 1996 Housing Act is the main legislation outlining the responsibilities and duties of all local authorities towards people who are homeless or at risk of homelessness. It was amended by the Homelessness Act 2002<sup>1</sup> and the Homelessness (Priority Need for Accommodation) (England) Order 2002<sup>2</sup>. These changes ensured a more strategic approach to tackling and preventing homelessness including strengthening the assistance available to people aged 16 and 17; those leaving care, people vulnerable as a result of time spent in care, the armed forces, prison or custody and those who are vulnerable because they have fled their home due to violence.

The Homelessness Reduction Act (HRA) came into effect from April 2018. Now, anyone approaching a Council as homeless or threatened with homelessness has an enhanced prevention or relief duty of 56 days. In real terms, this means that we work with people to prevent their homelessness (prevention duty) or help them secure alternative accommodation (relief duty), at an earlier stage. Homelessness Prevention Officers must assess and identify housing needs in all cases and ensure support is in place for people to secure or maintain their home. All households develop an agreed Personalised Housing Plan (PHP) and work with their officer to prevent or relieve their homelessness situation.

Other statutory and public bodies such as hospitals, the Department for Work and Pensions (DWP) and probation services are duty bound to refer any customer that they think may be homeless or at risk of homelessness to the Council. This is called having a Duty to Refer<sup>3</sup>. Their customer must give consent and they are able to have choice in the authority that they are referred to.

The introduction of the HRA is enabling councils to help more people in housing need and in a more person-centred way. Two thirds of English local authorities have seen the HRA as having positive impacts and as a positive step forward<sup>4</sup>. However, there is widespread acknowledgement that there are structural and resourcing issues that, if unresolved, risk reversing the achievements of the HRA so far. Reading will work alongside Government in any review of the HRA that is undertaken so we can support with improving our local and national response and ensure the best service and outcomes for our customers.

### Changes in data collation and what this means

Data collation from local authorities regarding homelessness and its causes has changed under the HRA. This has resulted in a disparity of official statistics, when comparing pre and post HRA data, and affects how these could be interpreted. Under new reporting mechanisms, more households will be officially recorded as seeking assistance; most will be quantified as having had their homelessness prevented or relieved with only a small

<sup>1</sup> <https://www.legislation.gov.uk/ukpga/2002/7/contents>

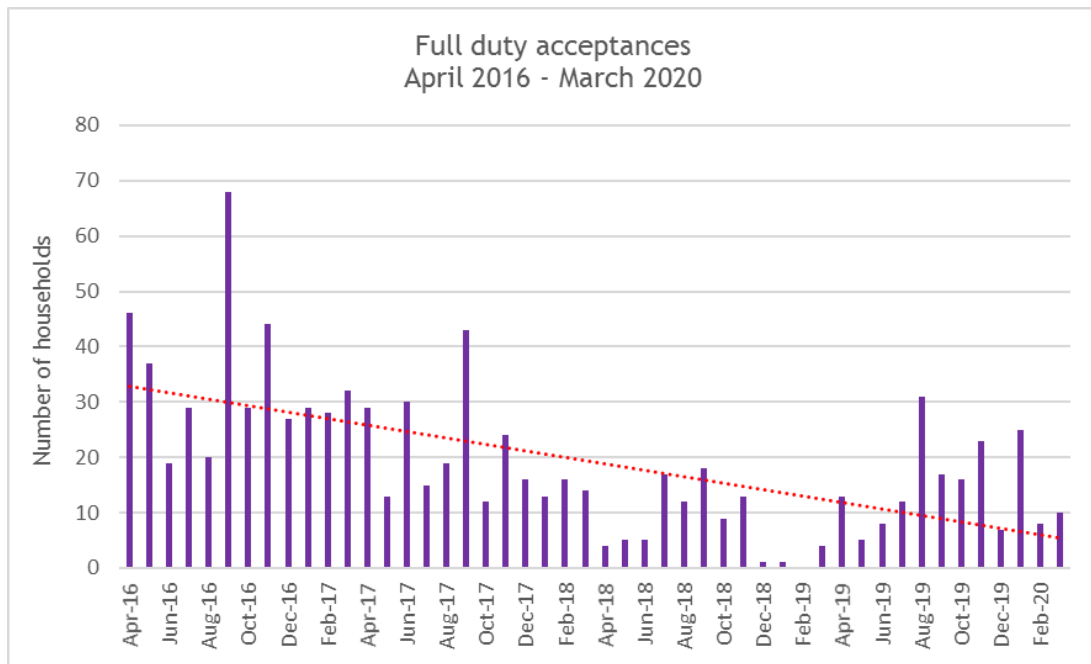
<sup>2</sup> <http://www.legislation.gov.uk/uksi/2002/2051/contents/made>

<sup>3</sup> <http://www.legislation.gov.uk/ukpga/2017/13/contents>

<sup>4</sup> Fitzpatrick, S., Pawson, H., Bramley, G., Wood, J., Watts, B., Stephens, M. & Blenkinsopp, J. (2019) *The Homelessness Monitor: England 2019*. London: Crisis.

proportion being accepted under the main local authority housing duty. Historically homeless acceptances have been used as a benchmark for how well a local authority is performing. Whilst this statistic is still important, it is no longer considered to be the main key performance indicator.

As predicted, the graph below shows Reading having a downward trend in full duty homelessness acceptances. This provides just one demonstration of how we must interpret our statistics differently in the new legislative context. Under the HRA framework, prevention and relief outcomes are seen to be more significant and this is where all local authority effort is being focused.



In Reading we consider that it is important to strike a balance between what we previously know about the causes of homelessness and attributing appropriate significance to new data collated since the implementation of the HRA. We recognise that the legislation has caused upheaval within a broader legislative framework with its medium-longer term effects to be determined.



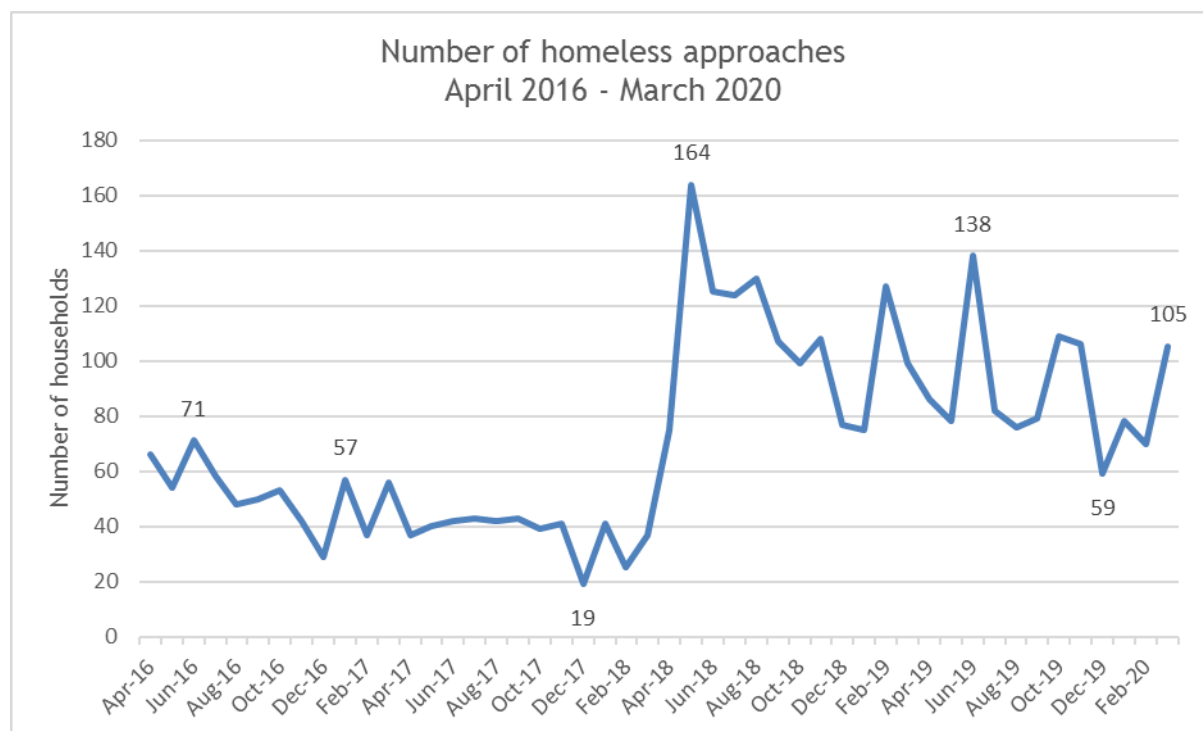
## Challenges in homelessness: the national picture and how Reading compares

### Increased service demand

In 2019 and since the introduction of the HRA, three-quarters of all local authority areas in England are reporting recent increases in homelessness<sup>5</sup>, with a quarter stating that it has increased to a “significant extent”.

Reading has seen notable increases in the number of approaches to its Homelessness Prevention Service for housing advice and options. We can attribute this to several factors including accommodation supply/affordability in the South East, welfare reform/benefit caps, complex, multiple needs and a variety of causes that will be considered further within this strategy. However, clearly the shift in legislation, public and professional awareness of the local authority’s new duties and the Duty to Refer have all promoted our change in service delivery which has encouraged households to approach for assistance.

The graph below shows a significant peak in approaches in April 2018 when the HRA was introduced. Since this initial spike, numbers of approaches have settled at an elevated level post-HRA.



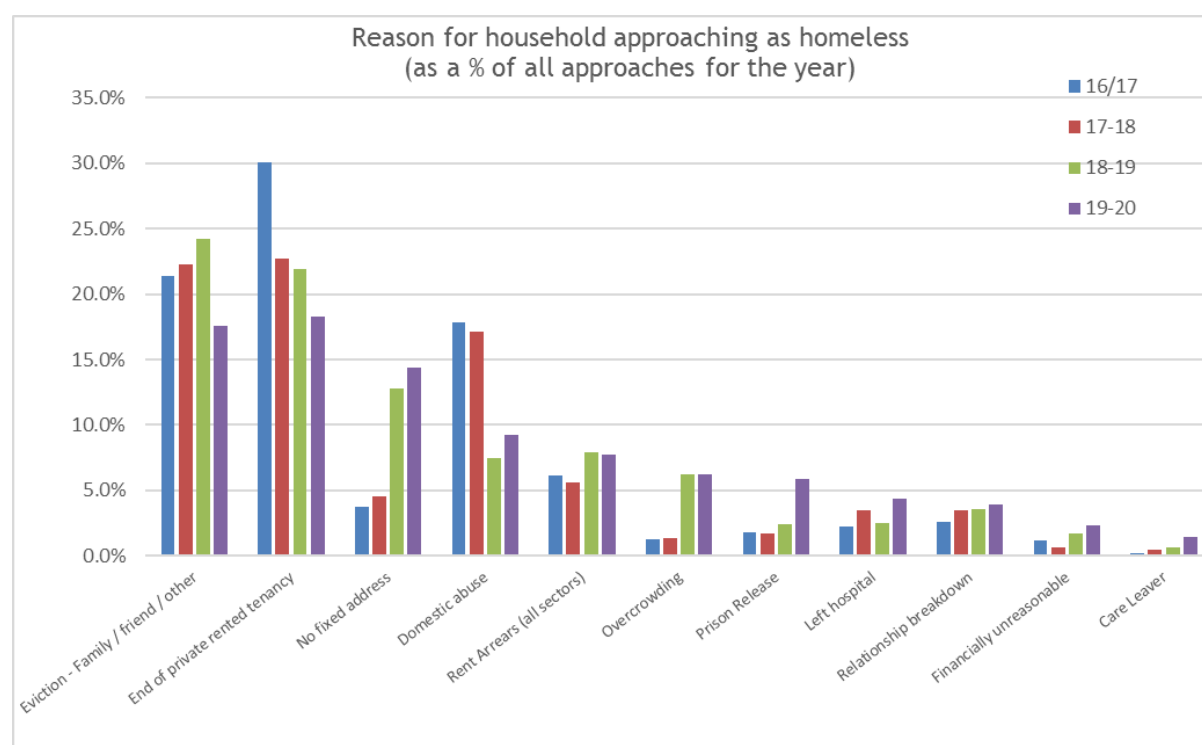
### Immediate causes of homelessness

There are national, regional and Reading specific causes of homelessness and these are the reasons that people will approach our Homelessness Prevention Service. If we can identify and tackle the causes of homelessness, we can intervene and prevent at an earlier stage and prior to crisis.

The graph below identifies the primary reasons for people approaching as homeless in Reading. The reasons behind these causes will be explained and considered as part of this

<sup>5</sup> Fitzpatrick, S., Pawson, H., Bramley, G., Wood, J., Watts, B., Stephens, M. & Blenkinsopp, J. (2019) *The Homelessness Monitor: England 2019*. London: Crisis.

section of the strategy. Some are ongoing challenges, some are newly highlighted challenges, and some are overarching challenges.



## Ongoing challenges

### Eviction: Family or friend

Young people are living at home for longer. Over the last decade, London and the South East have seen a 48% increase in the number of single people aged 20 - 34 living with their parents; nationally this has been an increase of approximately 700,000 non-dependent adults<sup>6</sup>. We know that over the last quarter of a century, younger adults in the South East have faced the impacts of a tight housing market and the worsening of real income/living standards. The numbers “heading up” households reduced from 34-36% in 1992 down to 22-24% in 2018. All evidence shows that the financial crisis and recession a decade ago is still impacting and diminishing the chances of young adults to form separate households.

Concealed households are family units or single adults living with other households who could be considered as a separate household should they wish to do so and if they were given the appropriate opportunity. Not all concealed households will want to live separately at a point in time, but nationally in 2018 there were about 4.87 million households (21.0% of all households) which contained additional family units. Of these, 295,000 (1.3%) were cases of couples or lone parent families living with other households, while 1.48 million (6.4%) were cases of unrelated one person units and 3.35 million (14.5%) were cases of non-dependent adult children living in the parental household.

Concealed households and fewer young people having the financial capacity to “head up” their own household (and overcrowding which is discussed under our newly highlighted challenges due to notable increases) can create pressured environments. Sometimes, when coupled with other health and well-being needs, relationships can break down.

<sup>6</sup> Fitzpatrick, S., Pawson, H., Bramley, G., Wood, J., Watts, B., Stephens, M. & Blenkinsopp, J. (2019) *The Homelessness Monitor: England 2019*. London: Crisis.

In Reading, we have seen a slight reduction in the proportion of households approaching having been evicted from the homes of family or friends; however, it remains our main reason for an approach. Our prevention response lies in understanding who and where families with adult children and concealed households are, why households are living together, if there is intention or preference to move and if there is genuine homelessness risk there. We know that single people/couples and families present to us when they have exhausted, usually in the following order; options with family, then friends or acquaintances. We need to consider these households when responding to the causes of family and friend evictions in a planned way. They are a high-risk group for approaching us in crisis.

### **End of private rented tenancy**

Nationally, and consistently, England has seen sharp rises in the number of households being made homeless from the private rented sector from under 5,000 in 2009/10 to over 18,000 in 2017/18. In 2018/19 this trend reversed whilst other known causes remained more stable.

Reading has been synonymous with the national rise in the number of households made homeless by the ending of private tenancies since 2010 - this seems to have peaked nationally and locally. A significant proportion of those households approaching us in 2016/17 and 2017/18 were due to an end in private rented tenancy because their landlord was selling or moving back into their property. Since 2018/19 our local private rented sector has stabilised, and we have been able to significantly rebuild our Rent Guarantee Scheme portfolio and private sector landlord relationships; this is our primary tool for homelessness prevention and relief when alternative accommodation is needed. This is considered further in the strategy's section on the overarching challenge of *accommodation supply*.

Despite sharp rises relenting, the end of private rented tenancies remains one of our primary reasons for homelessness approaches.

### **Financially unsustainable/rent arrears**

The reasons for homelessness due to a property or financial situation being unsustainable are usually attributed to the impact of welfare reform and lack of affordable housing options. These are challenges outlined further under our *overarching challenges* section.

Whilst in Reading, this is not the most significant reason for homelessness, proportionally there appears to be a steady increase since 2018/19 and therefore, in considering areas for early intervention and prevention, this is significant. We anticipate that the impact of COVID-19 could significantly change this.

### **Relationship breakdown**

Non-violent relationship breakdown has been a consistently occurring reason for homelessness over the last four years in Reading and we have seen a slight proportional increase. The stresses and strains of some of the other challenges that this strategy explores can be contributors including financial difficulties, overcrowding/multiple households in one home and the complex/multiple needs of one or both partners.

### **Domestic abuse**

The Office for National Statistics cites that the prevalence of domestic abuse over recent years has not changed<sup>7</sup> and although our graph regarding reasons for homelessness shows a reduction in the proportion of households approaching the Service fleeing domestic abuse, the *actual numbers* approaching have remained mostly consistent since 2016/17. There

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<sup>7</sup><https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/domesticabuseinenglandandwalesoverview/november2019>

were slightly fewer approaches in 2017/18 and 2018/19, but in 2019/20 this reverted to similar levels of 2016/17.

As a notable hidden housing need, we need to monitor this as an ongoing demand and explore ways to further promote approaches to the Service at an earlier stage. We will do this appreciating that domestic abuse presents unique barriers and challenges to households that need to be reflected in our homelessness response alongside the Council’s specific Domestic Abuse Strategy 2019 - 2022.

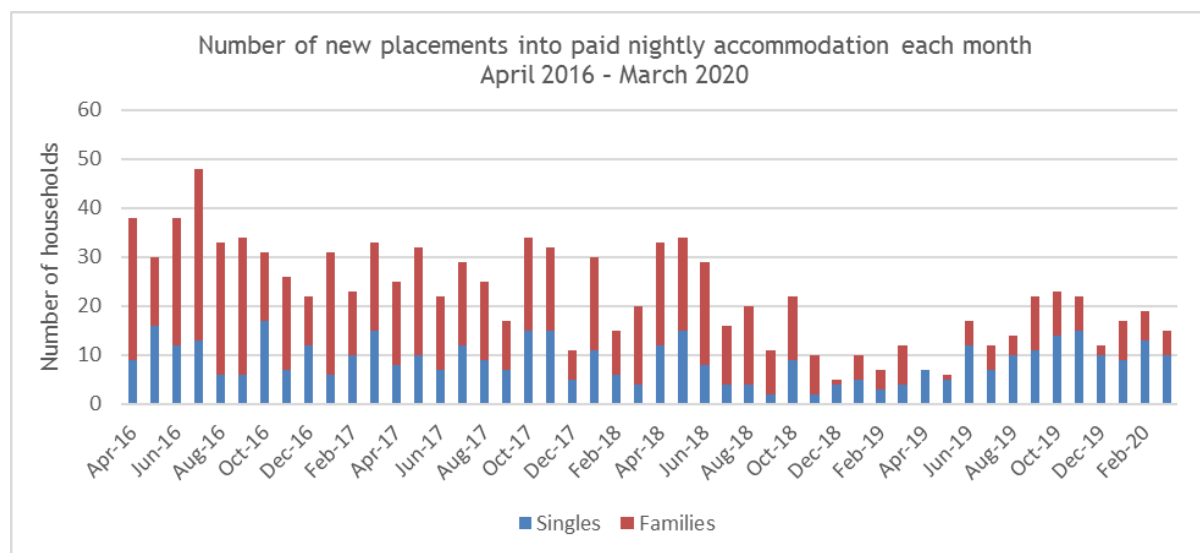
## Newly highlighted challenges

### Change in profile

The graph below primarily illustrates that we have significantly reduced the use of emergency accommodation since 2016. This is contrary to the national picture and consideration of the reasons for this are explored in the section on *overarching challenges* where our key ongoing objective is to avoid crisis situations and the need to utilise Bed and Breakfast.

However, what this graph also illustrates is the change in profile of the types of household approaching us in crisis. It shows that from October 2018 we have seen the previous dominance of family placements, shift towards an increase in crisis placements of single people/couples without children.

Nationally, local authority areas are reporting the same shift with significant increases in approaches from single people and couples and this is being attributed directly to the implementation of the HRA. We know that the successful promotion of the Duty to Refer referral mechanism across prisons, probation, hospitals and the DWP has been a significant contributor locally to an increase in this demographic.



We know from further local profiling that single males account for nearly 20% of those who have approached the Service between April 2018 and March 2020. For the same period, 36% of single people/couples who approached the Service identified as having a support need; 27% as having multiple support needs (more than one) where this accounted for 63% overall, compared to 22% of families.

The same data shows that the most apparent needs for single people are: mental ill-health, physical ill-health, substance misuse, offending history and a history of rough

sleeping/repeat homelessness. Across all households, those with multiple needs were primarily due to mental ill-health and substance misuse (Chart 1 and 2 of Appendix 2).

Rising numbers of single people with these specific complex, multiple needs approaching the Service is a trend mirrored nationally, especially including those not meeting thresholds for adult social care. As per Reading, the national view is that the shift in the number of these approaches can be attributed to the HRA, but that the needs identified are a continuation of a longer-term trend rather than purely recent phenomena.

### **No fixed address and rough sleeping**

Reading's demographic data regarding those approaching the Service with complex and multiple needs illustrates that having a history of rough sleeping and repeat homelessness are significant (Chart 1 and 2 of Appendix 2). For single people, we know that having no fixed address is usually a symptom of a culmination of several and multiple reasons that has caused repeated homelessness. Usually they have spiralled through less secure housing options - often referred to as hidden homelessness such as sofa surfing - and ultimately this can lead to rough sleeping.

In March 2020 Dame Louise Casey called for an 'Everyone In' response to rough sleeping and COVID-19. All local authorities were required to make an offer of emergency accommodation to anyone rough sleeping or at risk of it. The Government's subsequent taskforce has announced that local authorities should strive for no-one remaining or returning to the streets. Consequently, we expect that the way rough sleeping will be funded, monitored and reported will change significantly. Consequently, we anticipate that this will create further challenges for the Service and pressures upon funding.

Reading has an existing Rough Sleeping Strategy 2019 - 2024 dedicated to our rough sleeping response which is still relevant post COVID-19 pandemic. In Reading we spend £1.25m each year on commissioned Homelessness Support Services which include a rough sleeping outreach service and differing levels of supported accommodation. We have secured in excess of £300,000 grant funding under the Government's Rough Sleeping Initiative (RSI), year on year, since 2018/19 and this has enabled us to expand provisions. However, we will review all commissioned and funded services in the context of Dame Louise Casey's 'Everyone In' response, and adapt accordingly, to ensure services are operating most effectively for this vulnerable group.

### **Prison releases**

Data from The Howard League for Penal Reform shows that a third of people leaving custody state they have no-where to stay<sup>8</sup> and nationally, around a third of people sleeping rough have spent some time in prison<sup>9</sup>. The reasons for homelessness upon leaving custody are usually linked to those challenges already highlighted such as family/friend eviction, relationship breakdown, repeat instances of homelessness, previous time in care and complex, multiple needs prior to being sentenced.

In Reading, we have seen significant increases in approaches through the Duty to Refer for this group and we have seen the HRA utilised to best effect to avoid rough sleeping or precarious housing situations for those leaving custody. However, there is still significant challenge in identifying, intervening earlier and supporting tenancy sustainment to avoid the prison/release cycle of homelessness. It can also be challenging to find suitable housing options for this group who often had substance misuse issues prior to custody and present with a high risk of relapse.

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<sup>8</sup> <https://howardleague.org/wp-content/uploads/2016/04/No-fixed-abode-report.pdf>

<sup>9</sup> <https://data.london.gov.uk/dataset/chain-reports/resource/db4d244e-ab51-44e1-96dd-c8bfa65a62a>

### Leaving hospital

Homeless people are less likely to access primary care services. Consequently, they are four times more likely to present at hospital in crisis with complex health and social problems<sup>10</sup>. Following a hospital admittance, they can often be discharged into inappropriate or insecure accommodation; sometimes back to rough sleeping. This can contribute to repeat admittances and discharge.

In Reading we have seen an increase in approaches through the Duty to Refer for hospital discharge patients when homelessness is being established. The challenge for us as a local authority is for homelessness to be flagged at the earliest opportunity by hospital staff. However, our most significant challenge will be in establishing and adopting an even earlier intervention approach for this group to stop ‘revolving door’ nature of some customers due to unmanaged health needs.

### Care leavers

Research into youth homelessness shows that over a third of care leavers had experienced periods of homelessness, ranging from a couple of weeks to over a year<sup>11</sup> and that 10% of people sleeping rough in London had spent time in care.<sup>12</sup> Looked after children tend to leave care and move into independence at a much younger age than their peers within the general population. They also do not have the safety-net that their peers do of being able to return to the family home, sometimes on several occasions, until they have the resources and confidence to live independently. The transition from care to independence can feel like a significant responsibility and if care leavers are not fully equipped with the right skills, they may struggle to sustain accommodation and risk eviction. Becoming homeless has been identified as a genuine concern for young care leavers.<sup>13</sup>

We have seen proportional increases in the number of care leavers approaching our service. As a local housing authority, we have a duty to accommodate people moving on from care. Our Allocations Scheme for social housing affords priority on our housing register for a limited number of households leaving care. Alongside the ongoing challenge of having enough affordable housing options for this group, we have the additional challenge of ensuring they can sustain any independent living option they are offered to avoid repeated incidents of homelessness.

### Overcrowding

There may be some overlap between previously mentioned concealed households, young people who are unable to afford to “head up” their own household and overcrowding. However, under housing legislation, if a household is statutorily overcrowded then they are homeless. Sometimes this is referred to as “homeless at home”.

There has been a national upward trend in overcrowding, primarily within private rentals and social housing. It is the South East that tends to have the highest rates and it tends to affect larger families (18%), lone parent families (10%) and multi-adult households (6%). This is substantiated by the national picture which shows a reduction in new households being formed, particularly in the private rented sector and a reduction in household “headship” rates for younger adults.

<sup>10</sup> <https://www.healthylondon.org/wp-content/uploads/2019/01/190124-GUIDANCE-Safe-and-effective-discharge-of-homeless-hospital-patients.pdf>

<sup>11</sup> Quilgars, D., Johnsen, S. and Pleave, N. (2008) Youth Homelessness in the UK: A Decade of Progress? York: Joseph Rowntree Foundation

<sup>12</sup> Broadway Homeless and Support. (2010) Street to Home: Bulletin 2009/10. London: Broadway Homeless and Support.

<sup>13</sup> Morgan, R. and Lindsay, M. (2006) Young People’s Views on Leaving Care. Newcastle Upon Tyne: A Children’s Rights Director Report.

Data between April 2018 and March 2020 shows a significant proportional increase in those approaching the Service who are statutorily overcrowded. In Reading people may stay in overcrowded conditions due to a lack of, and perceived lack of, affordable housing options.

Our Allocations Scheme for social housing affords reasonable preference (priority) on our housing register for households that are overcrowded; however, the following section on accommodation supply proceeds to explain how lack of affordable housing options is an overarching challenge in Reading.

## Overarching challenges

### Accommodation supply

Reading has low unemployment and a highly skilled local working population, and it is a major transport interchange. It was named one of the two highest performing cities in the 2018 *Good Growth for Cities Index*<sup>14</sup> reflecting continued improvement across a range of measures, particularly income and transport. These socio-economic factors create a competitive housing market, pressure across all tenures and high market rents. Our biggest challenge is demand for affordable housing outstripping supply where Reading has some of the most deprived neighbourhoods in the Thames Valley.

### Homeownership

We know that homeownership itself does little to assist those who are vulnerable to homelessness, nor does it directly support with our prevention and relief agenda. Prior to the COVID-19 pandemic national house prices were lower than the 2000s, but they had already inflated prior to the global financial crisis in 2008 and this affects affordability. Low interest rates, the need for larger deposits to access mortgages and increased support via Government Help to Buy schemes have all favoured young couples/families with above average incomes.

### Social housing

Local authorities, especially in the South East, know that their existing social housing provision cannot meet homelessness needs. We know that social housing can alleviate the homelessness of some households and we afford them reasonable preference within our Allocations Scheme, but it cannot meet the accommodation needs of those who present to our Service. Reading has a progressive new-build agenda for social housing but high land prices, the Right to Buy and increased demand for affordable housing, for all housing needs, means that our demand overwhelms supply

We have faced additional challenges where housing associations have become more cautious/stringent on their policies for accepting families and single people with more complex needs. Overcoming this is a priority area for Reading where our analysis shows complex homeless households as a growing need.

### Private rented sector

We know that social housing and homeownership are not viable housing options for most homeless households in Reading. Consequently, we rely heavily upon the private rented sector; however, this presents us with several challenges.

In years preceding the COVID-19 pandemic, there had been a national downturn in uptake of private renting. The buy-to-let market had retracted in response to new tax legislation and, even in the South East, the private rented sector appeared to be decreasing in favour of homeownership. Consequently, market rents have been falling, meaning that

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<sup>14</sup> <https://www.pwc.co.uk/government-public-sector/good-growth/assets/pdf/good-growth-for-cities-2018.pdf>

affordability in the sector seems to be improving but some marginal growth since 2019 has exposed more low-income households to higher housing costs. Across the country a higher proportion of private tenants are experiencing in-work poverty and a smaller proportion are benefitting from the safety net of housing allowances in the benefit system. Whilst these barriers are discussed in more detail under the section on *Welfare reform*, it is worth noting here that historically, the gap between Local Housing Allowance rates and market rents has been a significant barrier in us supporting homeless households into private rented property. Often, we will deem private rented properties as unaffordable meaning we cannot in good faith provide financial support or advocate that households move into them. Even when deemed affordable, households with lower incomes can struggle financially. Having a strong Rent Guarantee Scheme and building meaningful partnerships with private sector landlords has enabled us to address this issue to some extent but it still remains a challenge.

### **Welfare reform**

Prior to the COVID-19 pandemic, further welfare reform was programmed; however, we are uncertain how these will progress. We know that existing welfare policies and reforms increase financial pressure on those at risk of homelessness which has increased the need for practical and financial intervention from the Council.

Specific detail of what reform and how it affects us locally is detailed below:

#### **Local Housing Allowance (LHA) reform (including Shared Accommodation Rate)**

LHA replaced Housing Benefit in 2008 in the private rented sector. We have felt the long-term consequences of this as landlords retracted from the sector. This reduced the supply of private sector properties, increased the number of households we needed to place into emergency accommodation and meant lower income households using income benefits to meet rental shortfalls. In April 2020 LHA rates in Reading were increased and this provides some alleviation of higher housing costs for those in employment. The longevity of this COVID-19 'boost' to LHA is uncertain and presents risk of inflated market rents. This makes accommodation unaffordable for single people without employment. We continue to rely upon rental 'top-ups' from Discretionary Housing Payments and our homelessness prevention funds.

#### **Universal Credit (UC)**

The roll-out of UC has resulted in financial hardship and homelessness for some households. Claimants have experienced non-payment/delays, deductions at source to recoup overpayments, sanctioning and changes in direct payment to their landlord. We have seen all of these contribute to increased risk of homelessness.

#### **Benefit caps**

Almost 53,000 households are affected nationally by the benefit cap. The cap takes from a household's rental element and we see households making a choice regarding how and if this shortfall in rent is met - the ultimate consequence is risk or actual homelessness. Nationally, almost three-quarters of affected households are lone parents and we recognise that these are the group least able to avoid the cap by moving into work or increasing their working hours. We know that in Reading the benefit cap increases the % of their income households need to spend on rent, to above 50%. We also know that in Reading, the cap disproportionately affects larger households and that this increases risk of homelessness for this group.

#### **Extension of notices and suspension of possession proceedings under the Coronavirus Act 2020**

In March 2020, elements of the Coronavirus Act 2020 were implemented with the intention of protecting residential tenants who were at risk of eviction due to the far-ranging financial impacts of the virus. Under the Act, the minimum notice period for recovery of possession was extended to three months resulting in a temporary postponement on evictions until 30



September 2020. Also, under the Act, all possession proceedings were stayed until 23 August 2020. This meant that if a landlord applied for possession prior to 27 March 2020, the case would be halted, regardless of its progress and that no new possession claims could be processed.

We realise that during this extended period tenants are at risk of continuing to accrue rent arrears or enact other behaviours and lifestyle choices that, after the duration of the coronavirus emergency, mean they will be at risk of losing their accommodation. It is a stark reality that the Act has postponed housing crisis for many households, rather than alleviating it. Tenants could be faced with homelessness after the government's postponement on housing possession is lifted.

Our challenge will be in both our immediate and longer-term prevention and relief response and how we resource it. We will try to predict and manage swells in approaches as possession proceedings are enacted and notices expire; however, we do this whilst still scoping options for and re-homing those housed in emergency accommodation under the local authority rough sleeping response. These significant post-coronavirus-lockdown pressures exist within the context of all other ongoing, newly identified and overarching challenges identified throughout our strategy.

### **Resourcing our strategy, priorities and interventions**

Unfortunately, like all local authorities, we are affected by year-on-year reductions in Government grant funding and so we consistently review and evolve our service's efficiency.

We received additional funds to support with our overall COVID-19 pandemic response, including apportioning some of these funds to our homelessness and rough sleeping response. Further funding amounts and their allocation across the Council's competing sector demands are to be determined. The shorter and longer-term impact of the pandemic upon the future needs and economic circumstances of our residents are uncertain.

All local authorities received funding to meet immediate and ongoing financial costs of introducing the Homelessness Reduction Act 2017. Our new approach and additional staffing require significant financial input. We have responded to increases in direct approaches and referrals from agencies and we are intervening at an earlier stage. This means we are working with unprecedented caseloads and demand upon finances to preventing homelessness.

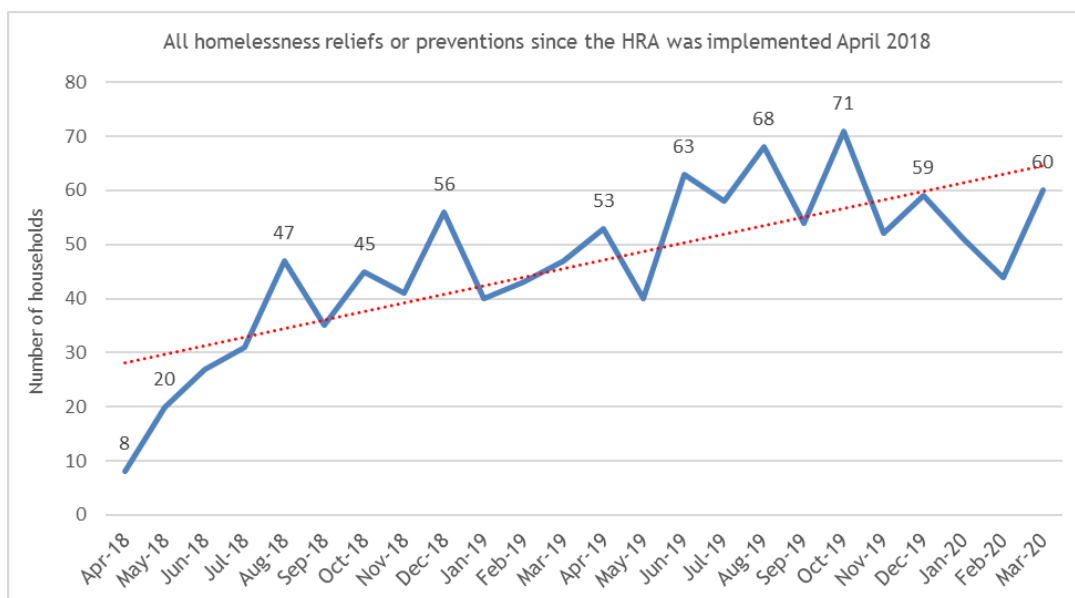
However, we continue to prioritise investment in our front-line services. We apply for ongoing and new capital and revenue funding from Government, including Homelessness grants to target gaps in services; we develop cross-sector and joint commissioning/bids and support our voluntary sector partners to seek and obtain funding from exclusive sources.

### **Sustaining a reduction of households in Bed and Breakfast**

Within the context of all our aforementioned challenges, perhaps our biggest is sustaining our reductions in emergency Bed and Breakfast placements.

Over the two-year period, between April 2018 and March 2020, we assisted 539 households in obtaining alternative accommodation (relief) and 574 households to remain in their existing home (prevention). On average, we prevented or relieved the homelessness of 46 households each month.

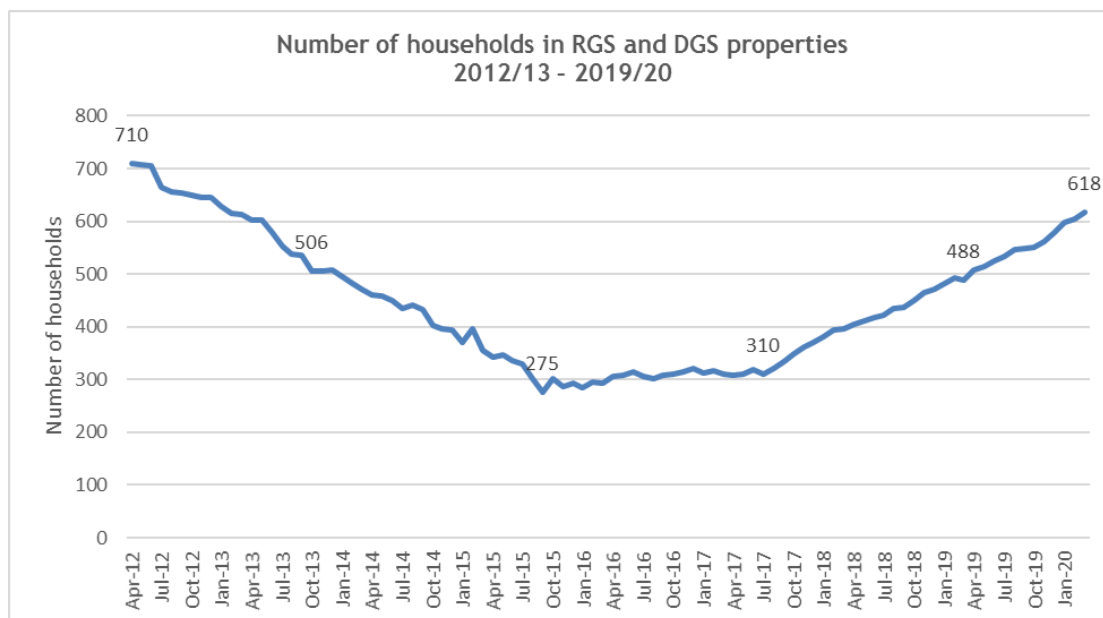
The graph below shows the upward trend in the number of households supported by the Service.



**Increasing housing supply in the private rented sector**

Where we utilise the private rented sector to provide homes for most households that approach us, our Rent Guarantee Scheme (RGS) and Deposit Guarantee Scheme (DGS) and the teams that procure property and enable its delivery, are our primary tool for homelessness prevention and relief when alternative accommodation is needed.

The graph below shows the significant increase in us being able to procure properties via the RGS since its implementation and roll-out in July 2015. This, alongside our ability to discharge our duties into the private rented sector, has meant that we have been able to secure alternative accommodation for households where prevention has not been possible.

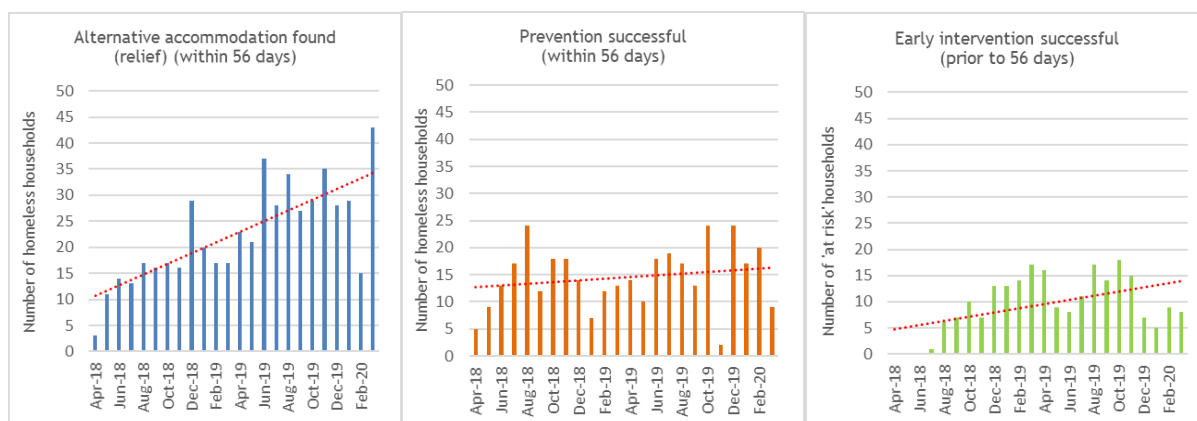


**Increasing prevention and preventative tools**

There has been regional recognition that, for London and the South East where housing demand significantly surpasses supply, homelessness prevention needs to be a local authority’s primary focus. The HRA legislation cemented national focus upon the prevention agenda which has propelled a shift towards helping people retain existing suitable accommodation, rather than finding new (private) tenancies.

Long before the enactment of the HRA, local authorities have noted the value in targeting preventions. In 2009/10 there were 16,000 homeless preventions nationally and in 2017/18 this had increased to nearly 60,000. A growing proportion of our early intervention and prevention activities involve providing debt advice and financial assistance. This is something that Reading had identified as an effective preventative tool, and invested in delivering, even prior to our previous homelessness strategy in 2016. We were already looking for innovative solutions to address the challenges of welfare reform, in-work poverty and unaffordable market rents that had all been amplified by our local economic circumstances and general affluence of Reading as a town in the South East.

The graphs below breakdown the detail of the number of homelessness households we worked with to (1) find alternative accommodation (relief); (2) prevent homelessness within 56 days and (3) prevent homelessness prior to our 56-day duty.



There are clear upwards trends in the number of successful interventions that stopped people from needing to access Bed and Breakfast in a crisis.

The expansion and success of the RGS has paved the way for a steep increase in the number of cases relieved of their homelessness since the introduction of the HRA in April 2018. Our prevention successes have continued in a sustained way and we have seen a steady increase in successful preventions prior to our 56-day prevention duty.

Our aim for 2020 - 2025 will be to see a significant increase in those for whom we provide upstream and earlier interventions.

## Our approach and priorities

Our strategy for 2020 - 2025 is to shift our entire Service approach towards earlier, and the earliest possible, interventions for homelessness prevention.

Across all sectors, there is debate regarding how best to define homelessness and where the boundary is between homelessness and other forms of housing need including 'sofa surfing' and 'hidden homelessness'. Even though being homeless or threatened with homelessness is clearly defined under Sections 175 - 178 of Part 7 of the Housing Act 1996<sup>15</sup> for our strategy to be as comprehensive and inclusive as possible, we have not focussed upon how we, or others, might define homelessness.

Instead, Reading's strategy takes an interventional approach to homelessness and is modelled on five core early intervention and prevention themes that underpin our three priorities:

**Priority 1 - Intervening early to prevent and reduce homelessness in Reading** is underpinned by our core themes to have **universal approaches** that provide advice and information for everyone and **targeted upstream interventions** that identify and address potential risk factors for homelessness.

**Priority 2 - Supporting people who are vulnerable to recurring homelessness** is underpinned by **supported sustainment** to provide support and advice to any households at risk of losing their accommodation and **pre-crisis interventions** to prevent impending homelessness.

**Priority 3 - Increasing access to decent, suitable accommodation** is underpinned by **provision of accommodation** and **crisis interventions** to help households secure suitable accommodation when needed.

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<sup>15</sup> <https://www.legislation.gov.uk/ukpga/1996/52/part/VII>

## Priority 1 - Intervening early to prevent and reduce homelessness in Reading

### Universal approaches

We must develop an approach that provides universal awareness of homelessness within the wider community and ensure that this reaches a breadth of households.

Our aim is to enable residents and communities to identify their own risks of homelessness. We want trigger points on the pathway to homelessness to be within the consciousness of people and professionals in Reading and aim to embed a systemic corporate approach underpinned by *Team Reading* within the Council.

#### We will do this by:

- **Creating and adopting a full Communications Plan to promote a Homelessness Prevention Service that is visible and instils confidence** so that partners and the public feel it is easy to refer and that customers will have a positive person-centred experience.

We will review and redraft literature and website content in line with peers, best practice and customer feedback. We want our service and preventative promotional campaign to destigmatise homelessness; outlining that it is an issue that can affect any household. We intend to provide feedback mechanisms to inform service review, and a 'you said, we did' led approach to service delivery, as well as publicising success stories about how the Service has assisted people.

Our communications campaign will manage customer expectations by providing candid detail of what we can and cannot offer customers and why we have these limitations. This will encompass decisions we make, and the accommodation people can expect to access. We will utilise local media and Council-owned channels of communication to increase the Service's visibility and target areas in Reading where we know households are most vulnerable to homelessness.

We intend to promote high level awareness for employees and managers within local businesses through workplace training across organisational hierarchies. This will include how to signpost to support services/advice and utilise corporate social responsibility, volunteer days and fundraising to promote awareness and support our local homelessness charities.

- **Maximising access to Homelessness Prevention Services** by reviewing information, application and communication methods and paperwork, assessment and referral processes with customers and partners to establish how these could be accessed and submitted digitally in-line with the Council's COVID-19 recovery plans.

We will develop referral routes to the Service for everyone working or volunteering with people at risk of homelessness, replicating the joint working and relationships already in place with obligated public bodies under the Duty to Refer.

Officers will ensure that information, assessment methods and signposting are accessible for different groups by adapting to communication styles that best suit a customer including, for example, those with disabilities, migrants, asylum seekers, refugees and people without recourse to public funds and different age groups. How older people access advice and assistance and develop an awareness of the range of housing and support options available to them will be reviewed.

We intend to sustain and look to improve positive relationships with neighbouring Berkshire and other local housing authorities and support agencies to make reconnection and relocation for households easier.

- **Delivering general and bespoke training to upskill and educate statutory, sector, faith, voluntary and community partners around homelessness** that offers a range of methods including face-to-face delivery, social media and digital and on-line resources (e-learning).

For internal and external sector partners - topics will involve the accumulative effects of debt, welfare reform, in-work poverty, health, personal welfare, anti-social behaviours and current issues (such as cuckooing, county lines, drug and alcohol dependency, modern day slavery and exploitation) and signposting to debt advice and housing-related support services. Our training offer will include co-producing and providing trigger toolkits, referral pathways and communications.

We intend to hold events in the community and offer a bespoke rolling training programme to residents, faith, voluntary and community groups about homelessness and our services including housing options, how to signpost and what support is available. We will work with community hubs, centres, libraries, cafes, bars and schools and alongside community advisory meetings, boards, committees and development associations using a variety of written and social media aimed at generating local conversation and utilising word-of-mouth. We will deliver messages in clear, concise and relevant ways to connect with anyone that might be affected.

- **Supporting primary healthcare partners to identify homelessness risk and refer into the Service.** We will develop mutually supportive relationships with health sector partners to avoid customer crises by reviewing and improving joint working arrangements. We will embed GP registration, referrals to Reading's Walk-In Centre and promote Reading's First Stop Service at homelessness assessment and within personalised housing planning. We will scope the concept of a GP practice homelessness network/champions that supports early intervention and create clear referral pathways where, for example, an early indicator of future homelessness could be someone feeling overwhelmed financially and with associated low-level anxieties. Scoping will also include information in bespoke and useful formats, step-by-step quick reference guides and post-referral updates.

**Improving existing partnerships and joint working with admittance and discharge teams at the Royal Berkshire Hospital and Prospect Park Hospital** to avoid delayed discharge or patients being discharged into unsuitable/no accommodation. For example, by enabling enquiry about address history and security of tenure upon admittance to hospital. We will support healthcare colleagues in promoting recovery by reducing health and homelessness crisis. The Service will continue to provide a dedicated specialist officer role at Prospect Park Hospital and will develop other avenues of mutual support.

### **Targeted upstream interventions**

**We will evolve and embed proactive interventions that identify and work with households that may be at risk of homelessness in the future.**

Our aim is to undertake comprehensive mapping and tracking of previous, current and future housing need and understand the circumstances of those who have become homeless. Data can be used to identify significant themes, indicators and specific features of households that could lead to homelessness. From what we know and intend to establish about the

causes of homelessness in Reading, we aim to respond to specific and wider risks in creative and flexible ways.

**We will do this by:**

- **Continuing our commission of the *Policy in Practice* Low Income Family Tracker (LIFT) dashboard** which enables us to explore household data over time and prevent hardship by identifying people in danger of crisis before it happens. We will use this data to intercept the pathway to homelessness by targeting debt advice and benefit maximisation support where it can be most effective. We will then track changes to see if our upstream approaches are working. We will also develop this approach to include non-financial indicators of where housing advice might be of benefit.

The entire aim of the LIFT dashboard is to turn analysis into impact. The tool uses two household indicators: financial resilience and total available resources. The financial resilience measure enables us to consider living standards and understand poverty. By filtering household data, we will be able to identify those who are 'in crisis' as defined by a huge shortfall in their income and outgoings - this is combined with 'flags' such as children at home or council tax arrears. These indicators create a targeted cohort with whom we can proactively engage.

The dashboard can be used to better forecast risk by identifying those impacted by welfare reform. In measuring the relationship between income and costs, households can be split into groups defined as 'coping' through to 'in crisis'. Households at risk can be tracked over time to monitor changes in circumstances, enabling identification of those who have responded to support by changing housing or economic status, and those whose financial position may be getting worse and therefore may benefit from an intervention.

Over time, we can introduce additional data sets to consider health, employment, child care or third-party debt. By overlaying the right data, a cohort for action can be created, which can, in turn, be translated into targeted upstream interventions. For example, by applying filters to data around barriers to work against financial resilience measures, the dashboard can identify people who are in work, but struggling to make ends meet (in-work poverty) and who may need additional support. Ultimately, this can promote better employment outcomes and keep people economically active. In using metrics that measure outcomes over time (a year from the first point of any intervention) we can demonstrate social impact and prove the value of our interventions and the impact of our homelessness prevention initiatives.

- **Reframing analysis away from the most recent reason that someone lost their home and consider wider factors along the pathway to homelessness.** We will develop analytical platforms that consider unemployment, shortage of affordable housing, health and the themes and combinations of these problems that evidence risk of homelessness amongst specific groups. We will undertake an overall review of how we ask for and collate our equalities data across the Service. This will be in readiness for being able to benchmark against the next release of Census data in 2021.

We will capitalise on the information garnered from the 'Everyone In' initiative for those 'sofa surfing' or at risk of rough sleeping. This group have previously been part of a 'hidden' cohort of homeless households. Our accommodation and support offer have meant that this group are unusually accessible. We will use this unprecedented opportunity to explore what has led to risk of homelessness, first-hand with this

group, to inform how we might be able to respond more effectively at earlier opportunities.

- **Continuing to provide homelessness advice and information within community and homelessness sector settings through outreach and in-reach.** For example, where we utilise our Housing Needs Outreach Officer to provide/support drop-in services. We will explore how more housing advice functions could be delivered from community and partner settings to best effect. The data we obtain from the LIFT dashboard and a review of our equalities data will inform how and where we target these responses.
- **Continuing to support vulnerable households with moving to Universal Credit** by working with the Department for Work and Pensions, having a coordinated approach across the Council and signposting to support. We have a well-established debt advice service to support with maximising income and making referrals for Discretionary Housing Payments (DHP) to bridge the gap between benefit levels and rents, for example due to Local Housing Allowance caps.
- **Piloting awareness sessions in schools, colleges, universities and youth services about factors that can lead to homelessness, its impact and what can be done to prevent it.** This would be a two-pronged approach in educating young people about the triggers and challenges of single homelessness and promoting their awareness as a member of a family household that could be at risk.

## **Priority 2 - Supporting people who are vulnerable to recurring homelessness**

### **Supported sustainment**

**We will provide support and advice to any household currently at risk of losing, or having previously lost, their accommodation to stop the cycle.**

For some households, homelessness cannot be relieved or prevented solely through the provision of accommodation. This includes people transitioning into independent living for the first time such as care leavers, veterans and those leaving custody, mental health hospital discharges, supported accommodation move-on and gypsy and traveller households choosing to access settled accommodation. There are a proportion of households and individuals who are susceptible to repeat homelessness due to their lifestyle, behaviours, health and/or choices who can be perceived as difficult to house. They often require more intensive preventative and responsive support to avoid personal and housing crisis.

Our aim is to provide exceptional housing-related support for independent living that can effectively identify additional needs and signpost to services that can support with relationship breakdown, domestic abuse, mental ill-health problems, drug and alcohol dependency, poverty, debt and unemployment.

**We will do this by:**

- **Ensuring that housing-related support continues to play a key part in assisting with finding and maintaining suitable accommodation for independent living in the community.** Support includes daily living skills, accessing benefits and maximising income, health or community care services and



establishing or maintaining social support and networks to help counter social isolation. We will continue to fund and commission housing-related support services for residents living within all tenures to sustain their housing and prevent evictions and focus these services upon households vulnerable to recurring homelessness in a targeted and flexible way and intensively when required.

Officers will undertake a cross-sector analysis of all existing housing-related support provision, including a skills audit to identify any geographic and thematic gaps or duplication in current services. Once mapped we will ensure maximised utilisation of existing housing-related support resources, including community sector provisions, to best enhance our supported sustainment and pre-crisis responses. We will provide services that can deliver quick, intensive support when a household's needs change or increase. This will include transitional and resettlement support for households accessing independent living for the first time or with different cultural backgrounds.

- **Developing and rolling-out a holistic modular/accredited pre-tenancy training programme with partners** that includes supporting families and single people with 'policing' their own front door, developing healthy and supportive relationships and preventing anti-social behaviour.
- **Reviewing how people access and move on from supported accommodation and ensuring that it meets needs now and in the future.** We will review existing Homelessness Support Services and the needs of young people's accommodation and support pathways to ensure options meet differing customer needs, including care leavers and those with higher needs. We will endeavour to move people on from supported and temporary accommodation at the right time. This ensures long-term independence by ensuring that move-on planning is at the forefront of support for those in temporary settings where timely move-on can avoid despondency or lapsing into counterproductive behaviours whilst in services.

As part of this review, we will identify and commission appropriate support and housing solutions for clients with drug/alcohol misuse and/or mental ill-health (dual diagnosis). We will enhance joint working protocols, referral and support processes between housing, primary and secondary health care, adult social care and Brighter Futures for Children (BFfC) for when risk and crisis are identified. We will scope funding and joint commissioning opportunities for dual diagnosis clients.

- **Working alongside Brighter Futures for Children (BFfC) in preparing care leavers for independent living** where their transition may require higher levels of support to prevent repeat homelessness. This can include a history or current challenges with drugs and alcohol, money management and mental ill-health. We will ensure housing-related support builds upon the preparation for independent living undertaken by BFfC to prevent the risk of spiralling behaviours in post-care accommodation.
- **Preventing the cycle of mental health discharge, readmittance and risk of homelessness** where mental ill-health can incite extreme and antisocial behaviours, neighbour complaints and tenancy breaches. Our housing-related support services will work alongside and sign-post to pre and post-crisis mental health teams to de-escalate these needs and prevent cyclical homelessness.

- **Continuing to maximise our grant revenue funding opportunities from Government** having had several successful bid outcomes to fund homelessness prevention initiatives. We will support other statutory and community sector partners to apply for additional funding to support the prevention agenda.

### **Pre-crisis intervention**

**We will work with households who are at risk of losing their homes to prevent homelessness and avoid housing crisis.**

We know that certain groups and communities are more vulnerable to homelessness. Homeless households are more likely to have a low income and that in-work poverty is a growing issue. There are also clear indicators that ward areas in Reading with a higher Index of Deprivation are more at risk of homelessness.

Our aim is to prevent homelessness for all households that approach the service at risk.

**We will do this by:**

- **Continuing existing, well established preventative practices under our Homelessness Reduction Act prevention duties** that include developing a Personalised Housing Plan with everyone at risk of homelessness that approaches the Service to set out agreed actions intended to prevent homelessness from occurring. We will embed pre 56-day preventative offers across the Service taking learning from our existing Resolution and Enablement Team to support households approaching as homeless prior to any homelessness duty that might be owed. We will continue to award Discretionary Housing Payment (DHP) to mitigate some of the financial pressure's welfare reform has created. We use our annual DHP budget to prevent rent arrears and in creative ways to sustain people in their homes.
- **Promoting planned move-on options for those vulnerable to friend and family evictions** to avoid escalated tensions when relationships have entirely broken down and enable planned move-on from the family home. We will scope the pathway to homelessness for this group and explore how earlier intervention can be promoted including scoping mediation services for parental evictions. We will prioritise casework that reduces overcrowding in households, for example, assisting non-dependent adults into their own tenancy in the private rented sector with the support of our Rent Guarantee Scheme.
- **Better understanding the reasons behind relationship breakdown** and if there is a role for the Council in helping to prevent this. We will scope a mediation offer in cases of relationship breakdown with a spouse or partner, where domestic abuse is not involved.
- **Continuing to respond to homelessness from the private rented sector**, working with landlords and lettings agents by negotiating repayment agreements with landlords where there are rent arrears. We will continue to refer customers for support with debt advice and maximising income to prevent arrears and find ways to encourage landlords, letting agents and individuals at risk to approach services sooner.

We will maintain the use of our powers to challenge unlawful or retaliatory evictions when a tenant has complained or is taking action against their landlord

due to poor conditions. In these instances, we can provide advice to households without recourse to public funds. We will sustain intelligence sharing relationships with colleagues in our Private Sectors Housing teams regarding problematic landlords and provision of Disabled Facilities Grants if a property becomes unsuitable due to a tenant's physical health needs.

- **Supporting social landlords to identify early risks of homelessness with tenants and with signposting to the Council or support services** to avoid notice being served and people approaching us in crisis. We will review and provide a forum that strengthens relationships between the Council and our social housing providers, including ways to identify behaviours and circumstances that might present a risk of homelessness - especially anti-social behaviours and rent arrears.
- **Improving communication when enforcement action is planned or imminent** between enforcing agencies, for example housing management or Thames Valley Police, and our Homelessness Prevention Service. We will provide pre-crisis support and advice to households who have been served notice or a Closure Order has been enacted on a property which could lead to homelessness.
- **Exploring and promoting employment opportunities for those at risk of homelessness.** We will ensure that employment support is always part of a household's Personalised Housing Plan including what training opportunities are available and making referrals to local employment support services for work and life skills. We will promote employment support services amongst social and private landlords and ensure that this is reciprocated by employment support service partners who can identify and refer those at risk of homelessness to the Service.
- **Embedding universal trauma informed approaches for assessing and supporting complex and higher need households that may be experiencing multiple disadvantage.** We will provide training for staff to work in trauma informed ways where specific groups vulnerable to homelessness are likely to have experienced or be experiencing multiple disadvantage - sometimes referred to as having complex needs and where trauma and Adverse Childhood Experiences (ACE) have been prevalent. This will enable full engagement for assessment of housing need. We will continue to work with partners to deliver and signpost to hoarding disorder support groups, as well as finding flexible solutions to support those at risk of homelessness due to hoarding, clutter and chronic disorganisation with sustaining accommodation to ensure that current or alternative housing options are not exhausted.

## **Priority Three: Increasing access to decent, suitable accommodation**

### **Provision of accommodation and crisis intervention**

**We will relieve and prevent homelessness by enabling residents to access secure and suitable accommodation that they can call home.**

When early intervention and prevention have not been successful the Council are required to relieve homelessness by ensuring access to accommodation. Our aim is to increase housing supply to avoid use of emergency temporary accommodation and improve the standards of accommodation for new and existing tenants that approach our Homelessness

Prevention Service. Given what we know about Reading's housing market, our focus will primarily be within the private rented sector.

**We will do this by:**

- **Advocating that resolving homelessness is not just about the provision of 'bricks and mortar'** where successful early interventions and prevention require committed cross-sector support. We will work with other statutory partners and public bodies to promote this message and establish joint responses in preventing and alleviating homelessness.
- **Continuing existing, well established practices under our Homelessness Reduction Act relief duties** that include working with customers to secure suitable accommodation. We take an enabling role with customers, where Homelessness Prevention officers will continue to work in partnership with our Rent Guarantee Scheme, supported accommodation and social lettings teams to provide appropriate housing options.

We will continue to ensure that no families are placed into emergency accommodation with shared facilities. Where we do make placements, we ensure that property used meets required standards and we have an assessment and review process to ensure this. We aim to sustain and reduce numbers placed into emergency accommodation following the success of our previous strategy.

When a customer approaches us having fled domestic abuse, we will continue to provide safer accommodation options including our Sanctuary Scheme, a robust management transfer process via our housing register and referrals to refuge. We will ensure that the priorities identified in the Domestic Abuse Strategy 2019 - 22 are embedded across Housing Needs and commissioned housing-related support services.

- **Ensuring that the provision of temporary accommodation is adequate in meeting the needs of any growing pressures.** We will continue to ensure that temporary accommodation is only used when necessary. We will closely monitor its use and throughput, alongside the information we collate on approaches and emergency placements, to understand if there is growing pressure and demand. We will ensure responsive procurement if required.
- **Regularly reviewing how we procure enough private sector housing for homeless households.** We continue to look for innovative ways to increase supply of property and landlords in the private rented sector. This includes our continued focus upon our partnerships with local private sector landlords to sustain and expand our Rent Guarantee Scheme property portfolio.

We will develop private sector accommodation options for single people aged under 35 living independently of the family household, who are in receipt of income benefits and can only afford a room within a House of Multiple Occupancy (HMO). We will increase accommodation options for single people within the private rented sector to prevent the use of emergency and temporary accommodation and provide move-on options for those moving on from supported housing.

- **Continuing to provide information, advice and support for landlords** on all aspects of property and tenancy management to improve landlord practice, sustain tenancies and prevent illegal eviction. We will continue our workshops and pre-

tenancy training for all prospective Rent Guarantee Scheme tenants. These sessions upskill customers to find their own accommodation, feel prepared for viewings and target money management. Our workshops have proven to improve a household's chance of obtaining and sustaining private rented housing.

We will sustain our relationships with Environmental Health and Private Sector Housing team regarding poor quality accommodation, empty homes and problematic landlords to enable enforcement action and drive up housing standards and increase decent and suitable homes for homeless households.

- **Continuing to make developing more affordable housing a priority for the Council** as detailed in the Housing Strategy 2020 - 2025. We have purposefully aligned the review and dates of our homelessness and housing strategies for congruent delivery. We link both to our Strategic Housing Market Assessment and Local Plans.
- **Implementing our revised Allocations Scheme by 2021/22** to reflect local priorities and needs and developed with reasonable preference for households owed a homelessness duty. Our scheme will continue to offer and review an allocated quota, per year, for move-on from supported accommodation, for care leavers, adult social care and other vulnerable groups. We will continue to incentivise down-sizing for those under-occupying our stock and we have a dedicated officer to support with this.
- **Reviewing and developing accommodation and support for those aged 16 - 24** to provide a pathway to independence. We have a *Preventing and Reducing Youth Homelessness Action Plan* developed with Brighter Futures for Children for young people aged 16-17 and those leaving care. The Action Plan is centred around analysing need, partnerships and information sharing, the young person's journey, advice/support/training and accommodation options. We will continue to jointly deliver and review this plan.
- **Scoping and implementing a permanent site/pitch for the gypsy and traveller community** to avoid/minimise unauthorised encampments. We will couple this offer with assertive outreach and support for households to acquire suitable settled accommodation within communities where this option is preferable.
- **Maximising opportunities to support and signpost homeless households without recourse to public funds** by sustaining case contact with Brighter Futures for Children (BFfC) regarding families without recourse to public funds who are provided accommodation under the Children's Act 1989. We will intervene with assistance and accommodation options as early as our legislation allows once recourse to public funds have been established. We will maintain links regarding these households to prevent/reduce time households might spend in emergency accommodation.

We will support our community, faith and voluntary sector partners in meeting the accommodation needs of single households without recourse to public funds where they are able support them in ways that the local housing authority cannot. We will continue to commission emergency fold-out beds within our Homelessness Support Services which single people without recourse can access for a limited period. We will provide a co-ordination role to scope innovative ways of delivering services for this group, learn from best practice and enable partners to apply for funding/grant opportunities for accommodation and support.

### **Implementation, monitoring and review**

Reading's Homelessness Strategy will govern our approach until 2025. During a period of emerging policies and economic change we will ensure that it remains responsive and reflective of legislative change. Therefore, it will be underpinned by a separate Action Plan that will be refreshed annually.

Our Action Plan will be overseen by the Housing Strategy Steering Group. It will evolve in co-development with partners and customers and be held to account by identifying key Council officer responsibilities, representation at strategic and partnership forums and the publication of updates and milestone achievement.

## Glossary

### **Affordable housing**

Accommodation that includes social housing and intermediate housing which the local authority provides or enables provision. It is for households whose needs are not met by the housing market and eligibility is determined using local incomes, house prices and other local circumstances.

### **Allocations Scheme**

Guidance relating to the allocation of social housing within the borough. It provides a set of rules which the Council adopts to determine priorities and procedure to be followed in this allocation. It determines who can join the Housing Register and the reasons for those applicants afforded preference.

### **Asylum seeker**

A person who has left their country and is seeking protection from persecution and serious human rights violations in another country, but who has not been legally recognised as a refugee and is waiting to receive a decision on their asylum claim.

### **Befriending**

A relationship between people who have experienced or are experiencing homelessness, in which one person has more experience than the other and can offer emotional support and companionship. The success of this, and peer mentoring schemes, relies on the creation of a strong and supportive relationship between two people.

### **Brighter Futures for Children (BFfC)**

A not-for-profit-company established to deliver children's services in the Reading Borough area, giving the best possible opportunities for the children of Reading including Children's Social Care, Early Help, Safeguarding and Youth Offending Services.

### **Clinical Commissioning Group (CCG)**

Created following the Health and Social Care Act in 2012 and replaced Primary Care Trusts on 1 April 2013. Clinically-led statutory National Health Service bodies responsible for the planning and commissioning of health care services for their local area.

### **Disabled Facilities Grant**

Grants provided by the Council to enable people with a disability to make necessary changes to their home.

### **Discretionary Housing Payment**

Payments which can make up the difference, or some of the difference, between Local Housing Allowance or the housing element of Universal Credit and rents. These are assessed in line with the Council's policy.

### **Dual diagnosis**

A term used to describe patients with both severe mental ill-health and chronic substance dependency.

### **Duty to Refer**

A legal obligation on certain public/statutory bodies to notify the local housing authority under 213B of the Homelessness Reduction Act 2017 of anyone who is homeless or at risk of homelessness.

### **Experts by Experience**

people with first-hand experience of homelessness who can shape and inform the change and development of services and strategy for homeless households.

### **Hidden homelessness**

A that refers to people who would meet the legal definition of homeless if they were to make a formal application but are not represented in the local authority homeless statistics.

### **Homelessness**

A broad term which includes people who live in unsuitable housing, don't have rights to stay where they are, or are rough sleeping.

### **Homelessness Support Services**

The collective name for services commissioned by the Council to support households who are homeless or at risk of homelessness and that includes the following contracts: Rough Sleeping Outreach Service; Floating support service for early intervention, prevention and tenancy sustainment; Intensive and engaging support: Hub and accommodation service and Working towards Independence accommodation service.

### **House of Multiple Occupancy**

A property where at least three tenants live, forming more than one household and where they share toilet, bathroom or kitchen facilities with other tenants.

### **Housing Associations**

See Registered Providers.

**Housing Benefit**

A benefit that can help people pay their rent if they are unemployed, on a low income or claiming benefits. This is being replaced by Universal Credit.

**Housing-related support**

Services that aim to develop or sustain an individual's capacity to live independently in accommodation. Support enables rather than does things for an individual.

**Homelessness Prevention Service**

The Council's frontline homelessness service which provides support for residents who need housing advice or are threatened with homelessness.

**Intermediate housing**

Housing for people that are not eligible for social housing but where market homes are still unaffordable. It can be rented housing or low-cost home ownership like shared ownership.

**Local Housing Allowance (LHA)**

Paid when someone needs financial support to pay their rent. The amount received depends on individual circumstances and the LHA rate for the local area. Generally, LHA levels reflect the 30th percentile of local private rented sector rates, up to an overall cap.

**Market rent**

Housing that is for rent in the private sector at the full market value that is not discounted in any way.

**Migrants**

A person who is staying outside their country of origin, who are not asylum-seekers or refugees. They may have left their country to work, study or join family. Others may have left due to poverty, political unrest, gang violence, natural disasters or other serious circumstances.

**Multiple disadvantage**

The experience of a combination of difficulties including homelessness, substance dependence, contact with the criminal justice system and mental ill health.

**No Recourse to Public Funds**

An immigration condition restricting access to public funds, including many mainstream benefits such as welfare and housing.

**Peer mentoring**

A relationship between people who have experienced or are experiencing

homelessness, in which one person has more experience than the other and can transfer their skills and knowledge that provide support and homelessness prevention or alleviation. It can be one-on-one or part of a group. Mentoring tends to involve support around education, employment and training.

**Person-centred**

Can mean different things to different customers but is about focusing on the needs of an individual household and ensuring that people's preferences, needs and values guide clinical decisions and provide housing and support that is respectful of and responsive to them.

**Personalised Housing Plans (PHPs)**

An outline of the steps to be taken to prevent or relieve a person's homelessness where they are homeless or threatened with homelessness and are eligible. The 'plan' should be drawn up by the local housing authority as part of its duties under the Homelessness Reduction Act 2017. It should be based on its assessment of her/his needs and include agreement on the steps to be taken by the individual, the local authority and any other parties involved in supporting that individual.

**Quota queue**

Additional priority given to certain groups in housing need, from different social care groups, within the Council's Allocations Scheme. The number of individual quotas for each queue is calculated on an annual basis. Single homeless people, including people sleeping rough where there are no specific support needs and people moving on from Homelessness Support Services are one of the community groups that can be afforded this priority. A panel determines which individuals are included in this quota.

**Reconnection**

Considered on the particular facts of each homeless case, including if it is safe and appropriate to do so, but where a council can refer a homeless applicant to another local authority under section 198 of the Housing Act 1996.

**Refugee**

A person who has fled their own country because they are at risk of serious human rights violations and persecution there. The risks to their safety and life were so great that they felt they had no choice but to leave and seek safety outside their country because their own government cannot or will not protect them from those dangers.



**Rough sleeping**

A term which refers to people who are sleeping or bedding down in the open air, in places such as streets, doorways, parks, benches or bus shelters, or even in sheds, car parks, tents or makeshift shelters.

**Social housing**

All Council and Housing Association properties in the borough are let through Reading Borough Council's Choice Based Lettings Scheme. Applicants are awarded priority for housing based on their level of housing need, considering criteria such as overcrowding, homelessness, or medical or welfare needs.

**Sofa surfing**

An informal term that describes the practice of a homeless person staying temporarily with various friends and relatives while attempting to find permanent accommodation.

**Strategic Housing Market Assessment (SHMA)**

Assessment which provides an up to date assessment of housing need in Berkshire and breaks that down for each authority area.

**Supported accommodation**

Accommodation commissioned by the council that provides specialist support (to varying degrees) to people formerly sleeping roughs and other vulnerable people.

**Trauma informed**

A strength-based response to the impact of trauma within support delivery by emphasising the physical, psychological and emotional safety of those affected by trauma. This creates opportunities for those affected to rebuild a sense of control and empowerment.

**Trauma informed approach**

An approach which supports individuals who have experience of sustained exposure to traumatic events and the symptomology arising from such exposure, which is described as complex trauma and is identified as a recurring theme amongst homeless women.

**Registered Provider**

Not for profit or charitable organisations that, along with local authorities, also provide Affordable Housing. They can be known as Housing Associations.

**Rent Guarantee Scheme**

A Council scheme that matches people who need homes with landlords who have properties to let. Rent is paid directly to the landlord, in advance. Payment of rent is guaranteed to the landlord, up to six weeks', as a tenancy deposit to cover costs if property is damaged by the tenant.

**Team Reading**

Reading's vision to ensure that Reading realises its potential as a great place to live, work and play, and that everyone shares the benefits of this success. It is based upon working together; driving efficiency, being ambitious and making a difference. This vision is underpinned by a People's Strategy where staff are key to delivering this vision and sets out how we aim to achieve this and create an organisation that provides excellent services to Reading.

**Temporary Accommodation (TA)**

Accommodation provided by the Council for homeless households they have a rehousing duty towards.

**Under Occupation Rate**

This is sometimes known as the 'removal of the spare room subsidy' or 'bedroom tax'. If you are working age and rent your home from a social housing landlord such as the council or a housing association, and have a spare bedroom, your Housing Benefit or Universal Credit may be reduced.

**Universal Credit**

Replaces Job Seekers Allowance, Employment & Support Allowance, Income Support, Child Tax Credits, Working Tax Credits and Housing Benefit for working age people. However, Housing Benefit remains for some groups including some supported and sheltered housing, temporary accommodation, refuges for survivors of domestic abuse.

**Welfare reform**

This is a general term to describe a range of changes which were made to the benefit system and were introduced through the Welfare Reform Act 2012. The changes include Local Housing Allowance caps and an Overall Benefit Cap for non- working households.

## Review of Reading's Homelessness Strategy 2016 - 2021

### PRIORITY ONE - Increase the use and accessibility of the private rented sector

#### Our aim was to...

- Reduce the number of households in B&B and other types of emergency and temporary accommodation
- Reduce the number of households becoming homeless from private rented accommodation

#### Achievements against this priority - we have...

- ✓ Reduced the number of households placed into emergency accommodation (B&B) from a peak of **178 in July 2016 down to 11 in March 2020**
- ✓ Sustained the number of households in emergency accommodation (B&B) at an **average of 14 throughout 2019/20**
- ✓ Ensured that **no families are being placed in emergency accommodation with shared facilities** (kitchen or bathroom)
- ✓ Reduced the number of households living in temporary accommodation by more than half, **from 315 in March 2018 down to 150 in March 2020**
- ✓ **Prevented 574 households from becoming homeless** by assisting them to remain in their accommodation between April 2018 - March 2020
- ✓ **Relieved 539 households of their homelessness** by supporting them to obtain alternative accommodation between April 2018 - March 2020

#### How this was achieved

##### Launch of the Rent Guarantee Scheme (RGS) in autumn 2015

- Alongside the Deposit Guarantee Scheme (DGS), the RGS provides guaranteed rent to landlords to incentivise renting to households who at risk of/are homeless
- Resulted in an increase of property sign-ups and properties procured for use by families at risk of homelessness

##### Implementation of the Private Rented Sector Offer (PRSO) in Reading in 2016

- Since its inception, over 100 homelessness duties have been discharged into the private rented sector utilising the PRSO, alongside prevention fund payments to assist with deposits and rent in advance

##### Creative utilisation of Homelessness Prevention Funds and Discretionary Housing Payments (DHPs) to prevent homelessness

- Control of the DHP budget moved from Revenues and Benefits and to the Income Recovery team within the housing department
  - 2019/20 - 136 households utilised £304,687 of DHP for prevention
  - 2018/19 - 110 households utilised £293,819 of DHP for prevention
  - 2017/18 - 129 households utilised £275,237 of DHP for prevention

##### Improving standards of property in the private rented sector

- Standardised inspections of all properties secured with homelessness prevention funds to ensure they meet with required standards
- Private rented sector charter developed in 2017 to outline the Council's main actions in supporting tenants, landlords, managing and letting agents to deliver a safe, healthy and thriving private rented sector
- Additional specialist procurement officer employed to meet the specific needs of homeless households

## Action to take forward to our next strategy

### Continue to:

- Reduce homeless households placed into emergency and temporary accommodation
- Reduce the number of households becoming homeless from the private rented sector
- Increase the supply of private sector landlords through the RGS
- Improve private rented sector standards and enhance the Council's offer for landlords
- Use DHP/the Homelessness Prevention Fund for homelessness prevention

## PRIORITY TWO - Prevent homelessness by supporting people to access housing and to sustain their accommodation

### Our aim was to...

#### Reduce the number of:

- Individuals newly identified as sleeping rough
- People returning to rough sleeping
- Households living in emergency and temporary accommodation - especially bed and breakfast
- Families found to be intentionally homeless
- Households living within unstable housing where they have additional needs

### Achievements against this priority - we have...

#### Reduced the number of:

- ✓ Households living in emergency and temporary housing
- ✓ People found sleeping rough on our autumn annual snap-shot count, from 31 in 2017 down to 28 in 2019<sup>16</sup>
- ✓ Households found intentionally homeless - by 2019/20 this had decreased to 18 across the whole year
- ✓ Full homelessness duty acceptances - in 2016/17 this was 408 households and by 2019/20 this was 175 households

### How this was achieved

#### Introduction of newly commissioned Homelessness Support Services (September 2018)

- To include the provision of emergency bed spaces for a No Second Night Out response; supported accommodation for single people/couples/dog owners and tenancy sustainment support for households at risk of homelessness

#### Additional funds secured from the Ministry for Housing, Communities and Local Government (MHCLG) to the amount of £327,000 for 2018/19, £861,000 for 2019/20 and £647,000 for 2020/21

- To include targeted interventions to reduce rough sleeping numbers, sustain former rough sleepers within independent accommodation and to sustain households in the private rented sector

#### Publication of Reading's Rough Sleeping Strategy 2019 - 24

- Developed to ensure specific strategic and operational focus for those rough sleeping

#### Improved support pathways for victims of domestic abuse

- Sanctuary Scheme support now available through homelessness prevention funds
- Reviewed, remodelled and recommissioned refuge and Domestic Abuse outreach services

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<sup>16</sup> The impact of Dame Louise Casey's 'Everyone In' COVID-19 rough sleeping response is likely to alter how rough sleeping data and numbers will be captured/monitored and how support will be funded/delivered post April 2020.

- Revised Domestic Abuse Strategy for 2019 - 2022

#### **Duty to Refer introduced under the Homelessness Reduction Act 2017**

- New duty since October 2018 for all statutory partners to refer anyone at risk of homelessness within 56 days to the local housing authority
- Relevant Service Level Agreements implemented with all statutory partners
- Introduction, roll out and training for partners of the ALERT referral system

#### **Co-ordination and availability of services for people in financial difficulties**

- Landlord Liaison Officer role in post between 2016 - 2018 providing a single point of contact for RGS landlords regarding their functions, legislation and tenants
- Specialist money advisor in post from 2018 to give advice and support to RGS/DGS tenants in maximising their income, reducing outgoings and addressing debts
- In-house debt advice team who can administer DHP for homelessness prevention
- Creation of the Social Inclusion Team to support sustainment of Council tenants
- Greater utilisation/referral to charities that can provide financial assistance in crisis
- Upskilling of homelessness prevention officers in debt advice knowledge

#### **Supporting those identified under the *Troubled Families* agenda to sustain suitable accommodation**

- Provision of data, from housing, regarding those at risk of homelessness; in unsuitable accommodation and temporary accommodation to the (now former) Troubled Families team to enable early identification and intervention and to assist in mitigating the effects of welfare reform

#### **Avoiding use of bed and breakfast accommodation for 16/17-year olds and improved support pathways for young people**

- All emergency 16/17-year-old placements made by Children's Social Care to ensure they are appropriate and to understand and monitor demand and need
- Commissioning and use of Reading YMCA crash pad in 2016 to assist with ensuring that no young person aged 16-17 is placed into B&B
- Joint protocol between Brighter Futures for Children (BFfC) and housing reviewed in accordance with Southwark judgement compliance
- Cross-service *Youth Homelessness Action Plan* between BFfC and housing developed that is centred around analysing need, partnerships and information sharing, the young person's journey, advice/support/training and accommodation options

#### **Increased units of temporary accommodation**

- 28 units developed at Lowfield Road site
- Approximately 40 properties re-purposed at Dee Park whilst properties were awaiting demolition and the area being regenerated

#### **Supporting geographical mobility**

- Support for households to move to another area via Homefinder UK, Homehunt and financial support to enable this

#### **Action to take forward to our next strategy**

- Review of accommodation and housing support services and pathways for young people aged 16 - 24, including those leaving care or custody
- Explore joint working relationships with Registered Providers regarding those at risk of homelessness
- Continue improvement in support pathways for victims of domestic abuse
- Continue joint working/embedding of practices for those households that would formerly have been identified under the Troubled Families programme

## **PRIORITY THREE - Increase the range and accessibility of information and advice available to enable people to make informed decisions about their housing situation**

### **Our aim was to...**

- Reduce the number of approaches to the Council's Housing Advice Service at the point of a housing crisis
- Fewer households living in emergency and temporary accommodation

### **What we achieved...**

- ✓ Reduction in households living in emergency and temporary accommodation and where the reduction in placements shows that fewer placements were needed to be made for households in crisis

### **How this was achieved**

#### **Introduction of the Homelessness Reduction Act 2017 legislation**

- Placed extra duties upon and provided extra funding to the Council to prevent and relieve homelessness within 56 days including the introduction of Personalised Housing Plans to avoid housing crisis and focus upon prevention

#### **Redesigned and additional staffing resource within Homelessness Prevention teams**

- Separate single and family homelessness prevention teams that provide specialist advice and support to different households
- Piloted Resolution and Enablement Team for early intervention in preparation for the Homelessness Reduction Act and embedding early upstream prevention ethos
- Introduced triage system and specialist frontline Housing Advice Support Team for households presenting in crisis to the Council

#### **Introduction of a personalised and enhanced online response for applicants to Homechoice Reading (social housing register)**

- Introduced online application form in September 2017 with functions to host targeted campaigns/advice and links to out of area options/alternative solutions
- Introduced of daily advertising making the system and service more accessible

#### **Development and dissemination of information for households who are homeless or at risk of homelessness**

- Suite of leaflets developed to inform and publicise available support and advice
- Rolling training programme developed and delivered for partners on the Homelessness Reduction Act, Duty to Refer and new Homelessness Support Services
- Housing Needs Outreach Officer single point of contact function
- Tailored community/voluntary sector training for trustees and volunteers
- Targeted work and training with BFFC regarding sourcing accommodation for intentionally homeless households

#### **Proactive contact with those at risk of homelessness (early identification and interventions)**

- System/software procured to identify households who may be at risk of homelessness due to changes in their finances, low income or welfare reform

#### **Development of information for people being discharged from Prospect Park and Royal Berkshire Hospitals**

- Discharge flowcharts and a protocol developed for staff prior to Homelessness Reduction Act and Duty to Refer being implemented
- Duty to Refer mechanism introduced, promoted and training provided
- Homelessness Partnership Officer based within Prospect Park Hospital teams once a week to provide support and guidance around homelessness/risk of homelessness

- Communications piece undertaken with A&E at Royal Berkshire Hospital in reporting people at risk of homelessness or who are identified as rough sleeping

**Working in partnership with Adult Social Care and other services to provide targeted advice for older people living in poor quality accommodation**

- Sheltered accommodation review and new structure and services implemented in 2017/2018

**Launch of Street Support Reading and Reading's Homelessness Partnership**

- Street Support Reading information portal, aimed at single homeless households introduced in 2019
- Reading's Homelessness Partnership established September 2019 with meetings held each quarter

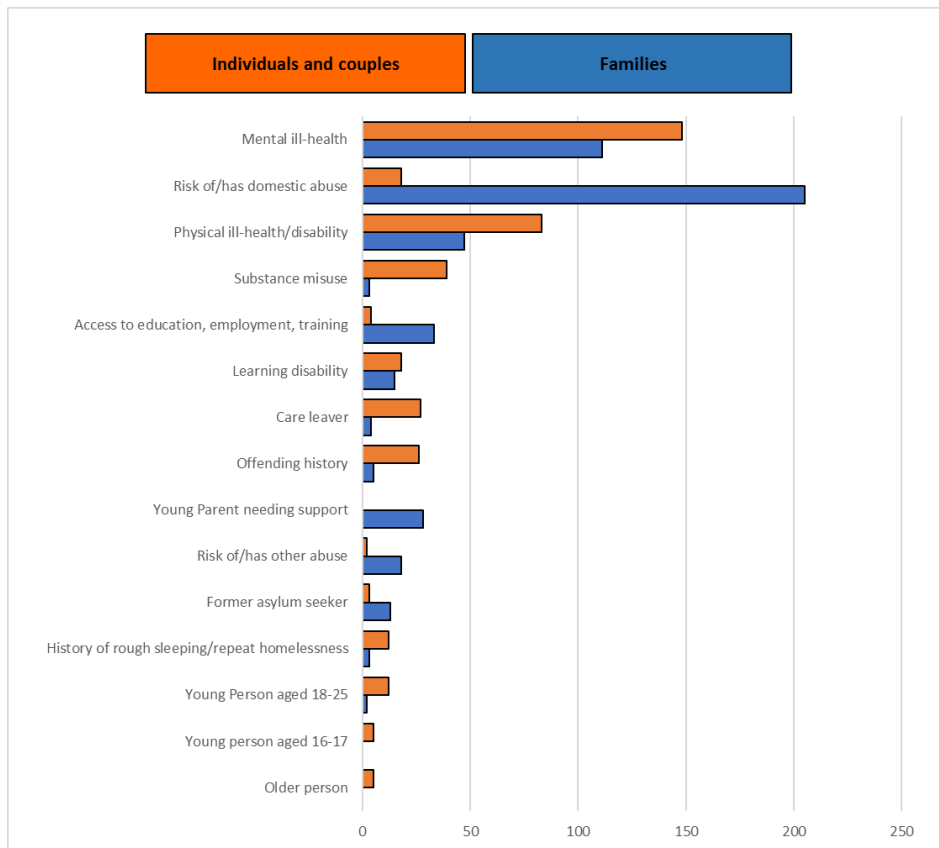
**Action to take forward to our next strategy**

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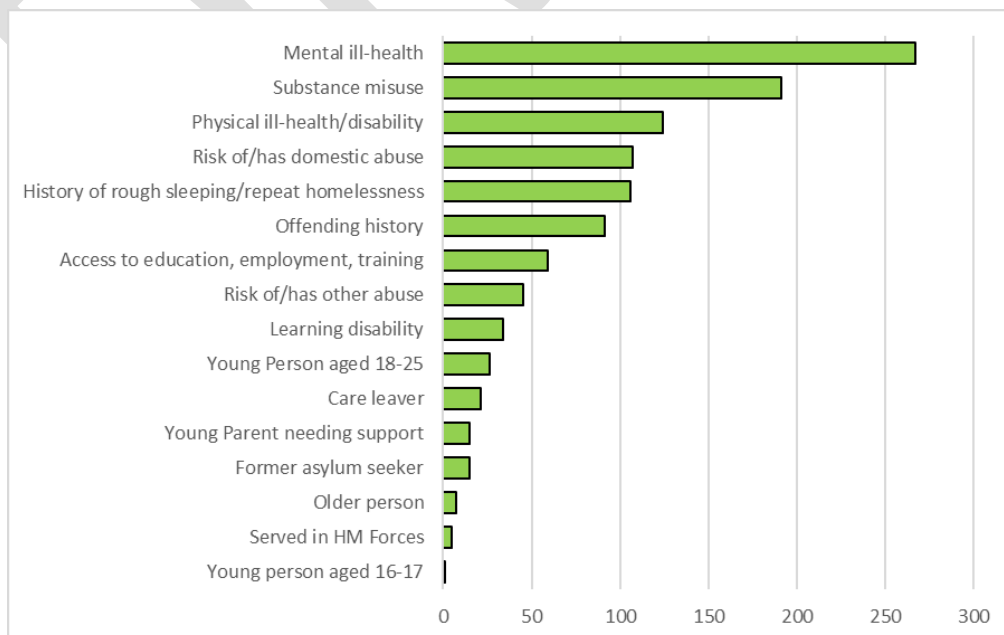
- Provide training for partners on changes in legislation and support available from housing services and ensure training is reciprocated for mutual service understanding
- Develop and disseminate information regarding homelessness that targets households through a variety of media
- Target provision of advice for older people living in poor quality accommodation
- Implement procured system/software to enable early identification/intervention
- Work with households under-occupying social rented accommodation to enable moves
- Link with hospitals regarding the Duty to Refer, co-ordinated discharges and identifying homelessness at the point of admission

## Support need analysis of approaches April 2018 - March 2020

**Chart 1: Primary support needs where only one need is identified<sup>17</sup>**



**Chart 2: Complex support needs across all households (more than one identified support need)**



<sup>17</sup> Data captured for primary household member only

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## Appendix C

### Equality Impact Assessment Reading's Preventing Homelessness Strategy 2020 - 2025

**Name of proposal/activity/policy to be assessed**

**Directorate:** Economic Growth and Neighbourhood Services

**Service:** Housing

**Name and job title of person doing the assessment**

**Name:** Verena Hutcheson

**Job Title:** Homelessness and Housing Pathways Manager

**Date of assessment:** 28<sup>th</sup> June 2020

**What is the aim of your policy or new service/what changes are you proposing?**

Under the legislation of the Homelessness Act 2002 all local authorities are legally obliged to have a homelessness strategy. At least every five years each authority should undertake a review of homelessness in their area; carry out a consultation and then use the results from both to inform their homelessness strategy, including the formulation of key priorities and an action plan. The action plan should be developed to ensure that the strategy's objectives are achieved.

Both the homelessness strategy and action plan should have regard to Government's Homelessness Code of Guidance, and it should be made publicly available.

Aside from legal requirement, an effective homelessness strategy ensures that Reading has a robust plan; is accountable for its response to people who are homeless or at risk of homelessness (including those groups most vulnerable to homelessness) and that the Council understands and regularly revisits, and reviews need. This includes causes of homelessness, what has been achieved and any new priorities that should be introduced.

The Council aims to deliver Reading's Preventing Homelessness Strategy 2020 - 2025 under the following established priorities:

- **Priority One** - Intervening early to prevent homelessness
- **Priority Two** - Supporting people who are vulnerable to recurring homelessness
- **Priority Three** - Increasing access to decent, suitable accommodation

**Who will benefit from this proposal and how?**

Residents of the Reading borough who are homeless or at risk of homelessness through early and targeted interventions for prevention and relief of homelessness.

**What outcomes will the change achieve and for whom?**

In line with the stated priorities, Reading's Preventing Homelessness Strategy 2015 - 2020 aims to intervene at the earliest opportunity to prevent any single person, couple or household in the borough from becoming homeless, where risk has been identified, or relieve homelessness where it ensues.

**Who are the main stakeholders and what do they want?**

Customers of the Homelessness Prevention Service, including those who are homeless and at risk of homelessness where they want to receive a service that prevents or relieves their homelessness.

Wider communities and residents where they want to be able to identify and prevent homelessness crisis and therefore reduce/eliminate the need for council intervention and/or emergency accommodation.

**How does your proposal relate to eliminating discrimination, promoting equality of opportunity, promoting good community relations?**

The strategy identifies the primary reasons for homelessness in Reading and how the Council plans to address these by using universal approaches, targeted upstream interventions, supported sustainment, pre-crisis/crisis interventions and the provision of accommodation.

Of those households approaching the Service between April 2018 - March 2020 as homeless, or at risk of homelessness, the primary reasons for homelessness disproportionately affect certain equality groups (addressed under each group of this EqIA).

Reading has geographical variations in where and how populations who are homeless and at risk of homelessness live. The borough's JSNA and Census 2011 data can provide an analysis of distributions across wards, including where there are higher proportions or concentrations of people, for example, of certain ages or ethnicities. Populations and location data can be cross-referenced with the groups that approach the Service in crisis, or as needing support with prevention, who are therefore known to be disproportionately affected by homelessness. This enables the Service to explore and plan where to target awareness and prevention interventions in line with the principles that underpin Reading's strategic priorities. The Census 2021 is likely to be published in 2022/23. This will provide up to date population data that will support in the mapping and implementation of the homelessness strategy's *Targeted Interventions*.

Reading's overall strategic response for homelessness is to identify those most at risk of homelessness and then ensure that positive and targeted interventions are undertaken to meet the needs of these groups. Priority 2 of the strategy action plan outline actions to collate, analyse and improve data capture for targeted early upstream interventions. The underlying principles of this is to identify disproportionately affected groups for positive interventions that including improve communications, training with partners and direct responses to reduce inequalities regarding accessing and benefitting from the Service.

**Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?**

Yes  No

Is there already public concern about potentially discriminatory practices/impact or could there be?

Yes  No

These are addressed under the impact of each group of this EqlA.

**Consultation**

How have you consulted with or do you plan to consult with relevant groups and experts?		
Relevant groups/experts	How were/will the views of these groups be obtained	Date when contacted
General public, businesses, university students, sector partners and internal staff	Online survey via RBC’s Consultation Hub (open public consultation)	5 <sup>th</sup> August - 29 <sup>th</sup> September 2019
Single people and families living in Homelessness Support Services, emergency accommodation, temporary accommodation, those attending Homelessness Prevention appointments	One-to-one interviews with people who have lived experience of homelessness; being at risk of homelessness and of recurring homelessness	5 <sup>th</sup> August - 29 <sup>th</sup> September 2019
General public, businesses, university students, internal staff and those affected by homelessness	Use of social media (Facebook and Twitter) and RBC internal communications (Intranet and Inside Housing) to provide an information piece and promote the on-line survey	5 <sup>th</sup> August - 29 <sup>th</sup> September 2019
Statutory, charity and community led services who are supporting or providing a service to people who are homeless or at risk of homelessness	Cross-sector focus groups with informed and experienced partners	5 <sup>th</sup> August - 29 <sup>th</sup> September 2019

**Data collection and assessment**

**Describe how this proposal could impact on racial groups**

Data collated from customers approaching the Service between April 2018 - March 2020, who have chosen to divulge their ethnicity, has been compared to Census information from 2011<sup>1</sup> (new Census data is due to be collated in 2021). The comparison shows a disproportionate number of people from Black British, Black African and Black Caribbean and other Black ethnicities (16.7% compared to Census data of 7.7%) and mixed/multiple ethnic groups (9.8% compared to Census data of 3.9%) approached the Service for support with their housing options, with most of these being families (11.4% Black and 7.3 mixed/multiple ethnic

<sup>1</sup> <https://www.reading.gov.uk/jsna/ethnicity>

groups). White (60.8% compared to Census data of 74.8%) and Asian (11.1% compared to Census data of 13.6%) ethnic groups appeared less proportionately/under-represented in those approaching the Service.

JSNA and Census 2011 data in Reading shows that the Black African population has grown since 2001, but in 2011 it was unclear whether this is related to migration to the UK or within the UK. The highest proportions of those identifying as Black African in 2011 were in a number of wards central to the borough.<sup>2</sup> Our data analysis of those approaching the Service suggests that families within this group are part of a wider Black population we may wish to provide targeted support and interventions for. Counter to this, Asian populations seem to be underrepresented compared to Census 2011 data which could indicate the potential for overcrowding or concealed households amongst this group; or it could indicate that this population experience less socio-economic disadvantage in Reading.

Further analysis and some benchmarking against more recent Census 2021 data (when published) will be undertaken as part of the strategy. This current data only provides us with an initial flag to explore further.

Consultation with the public and stakeholders outlined concern for travellers and gypsies and those where English is not a first language - including refugees, asylum seekers, EEA and Non-EEA nationals. Action points within the strategy's action plan will seek to provide interventions for these identified groups.

Is there a negative impact?      Yes       No       Not sure

**Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)**

Analysis of the immediate reason for homelessness of those households approaching the Homelessness Prevention Service between April 2018 and March 2020 identifies the following:

- Relationship breakdown which it is known disproportionately results in single males leaving a family or marital home resulting in precarious housing or homelessness, including rough sleeping and repeat homelessness. More single males approached the Service than single females (approximately 20% of those approaching overall). We know that nationally and locally there has been an increase in single homeless households in crisis. This data regarding gender supports the national trend regarding what we know about increases in numbers of single people placed into B&B since the HRA was implemented in April 2018 and that around 75% of single people within our single supported accommodation units or sleeping rough are male.

- That females are disproportionately affected by domestic abuse and that overcrowding disproportionately affects lone parent families, of whom females tend to be the lone parent head of that household. More females, who were denoted as having one or more children or having an expected due date, approached the Service than males. Census data<sup>3</sup> tells us that there were 4,700 lone parent households with dependent children in Reading in 2011 and that 90% of these lone parents were female.

No robust data on the UK trans population exists. Therefore, we have no contextual or comparative data from general UK population statistics<sup>4</sup>, however customers identifying as

<sup>2</sup> <https://www.reading.gov.uk/jsna/ethnicity>

<sup>3</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/2011censuskeystatisticsforlocalauthoritiesinenglandandwales>

<sup>4</sup> <https://www.gov.uk/government/publications/national-lgbt-survey-summary-report/national-lgbt-survey-summary-report>

trans<sup>5</sup> are a notable number from our data. With the heightened profile of the LGBTQ+ agenda, it is likely that the 2021 Census will be able to provide us with more detail and context about our transgender population in Reading.

Consultation with the public and stakeholders outlined concern for 'sofa surfers' and hidden homeless groups and the need for accommodation for single males that is not substandard, shared or dangerous. Actions within the strategy's action plan will seek to provide interventions for these identified groups.

Is there a negative impact? Yes  No  Not sure

#### Describe how this proposal could impact on Disability

The data regarding those who approach the Service shows significant numbers of single people/couples having one or more support needs with:

- 16% of families and 36% of individuals/couples identified as having a support need
- 6% of families and 27% of individuals/couples identified as having **multiple support** needs (more than one)
- 22% of families and 63% of individuals/couples who approached, identified as having at least one reason to need support

The data shows that the most apparent needs for single people are: mental ill-health, physical ill-health, substance misuse, offending history and a history of rough sleeping/repeat homelessness. Across all households, those with multiple needs were primarily due to mental ill-health and substance misuse. The data also shows that those approaching the Service with complex and multiple needs often have a history of rough sleeping and repeat homelessness are significant. The strategy outlines that hospital discharge is a primary reason for homelessness amongst single people, where we know that the single cohort is overrepresented by males.

Consultation with the public and stakeholders outlined concern, and the need for support for, those diagnosed with both mental health and substance misuse (dual diagnosis) where both link considerably to physical and mental health and well-being. Action points within the strategy's action plan will seek to provide interventions for these identified groups.

Is there a negative impact? Yes  No  Not sure

#### Describe how this proposal could impact on Sexual orientation (cover civil partnership)

Data from approaches to the Service between April 2018 and March 2020 records a disproportionate number of client records that 'preferred not to say' their sexual orientation, especially for single households/couples. This was 31% of single people and 17% of families for whom this detail wasn't recorded.

This is most likely due to data recording methods and collation where the question may not be prioritised or perhaps is not asked at all due to perceived sensitivities.

The 2021 Census is likely to be able to provide more detail and context about Reading's LGBTQ+ population, when compared to 2011 collation, which will support us to identify any gaps in the way services are delivered to this group.

<sup>5</sup> Where a customer advised us that their gender is different from the gender assigned to them at birth

Consultation with the public and stakeholders outlined concern for access to services for LGBTQ+ groups. Action points within the strategy's action plan seek to improve data capture and provide interventions for these identified groups.

Is there a negative impact? Yes  No  Not sure

**Describe how this proposal could impact on Age**

Analysis of the immediate reason for homelessness of those households approaching the Homelessness Prevention Service between April 2018 and March 2020 shows that homelessness disproportionately affects younger people aged 20 - 34 and care leavers aged under 25 years old.

Age analysis of specific households shows that most families were headed up by someone aged 25 - 44 (33%). For single households, this was primarily those aged 25 - 44 (20%) and 45 - 64 (14%). The most notable disproportional representation, when compared to Census 2011 data, were approaches from those aged 65+. The number of approaches represented 2.7% overall (with 2.3% being single households) compared to those aged 65+ comprising 16% of the borough's population in 2011. A very small proportion of single 16/17 year olds approached the Service directly, where joint working and placement of this age group is undertaken with BfFC. Older people being under-represented compared to population data is most likely due to them occupying settled accommodation for longer and not requiring the Service; however, the strategy takes into account that promoting homelessness prevention services and alternative housing options to those over 65 might require a different communications approach.

Further analysis and some benchmarking against more recent Census 2021 data (when published) will be undertaken as part of the strategy. This current data only provides us with an initial flag to explore further.

Consultation with the public and stakeholders outlined concern for children, young people, students, care leavers, young carers and older people. Action points within the strategy's action plan will seek to improve data capture and provide interventions for these identified groups.

Is there a negative impact? Yes  No  Not sure

**Describe how this proposal could impact on Religious belief?**

In comparing those customers approaching the Service with Census information from 2011<sup>6</sup> data comparison shows a higher proportion of people with no religion, or that their religion was not stated, with a significant under representation of households who were Christian, Hindu, Sikh, Buddhist, Jewish or other. We can see an over-representation of households whose religion is Muslim (Islam) compared to Reading's most recent Census data.

Again, this may represent an overall demographic shift in Reading when we are able to compare new Census data in 2021; however, this is worth exploring as there may be barriers to earlier engagement, specific triggers and consequently ways that we can adapt service

<sup>6</sup> <https://www.reading.gov.uk/jsna/ethnicity>

delivery to reach people practicing Islam, who are at risk of homelessness, through communities and faith groups/churches.

Further analysis and some benchmarking against more recent Census 2021 data (when published) will be undertaken as part of the strategy. This current data only provides us with an initial flag to explore further.

Consultation with the public and stakeholders did not outline concern for any specific groups regarding disproportionate impact and religious beliefs; however, action points within the strategy's action plan will seek to improve data capture and provide interventions for this group.

Is there a negative impact?      Yes       No       Not sure

Decision

1. **No negative impact identified**      Go to sign off
2. **Negative impact identified but there is a justifiable reason**        
You must give due regard or weight, but this does not necessarily mean that the equality duty overrides other clearly conflicting statutory duties that you must comply with.
3. **Negative impact identified or uncertain**        
**What action will you take to eliminate or reduce the impact? Set out your actions and timescale?**

**How will you monitor for adverse impact in the future?**

Any future review to Reading's Preventing Homelessness Strategy 2020 - 2025 and/or how its action plan is delivered will include further assessment of the impact on specific groups and how any negative effects will be counteracted.

Signed (completing officer): Verena Hutcheson

Date: 04/08/20

Signed (Lead Officer):      Zelda Wolfle

Date: 04/08/20

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# Updating Reading's Housing Strategy

Consultation feedback on themes and priorities January-March 2019

## The Consultation Process

As part of the process to update Reading's Housing Strategy we invited key partners and stakeholders to give their views on whether they thought we were proposing the right 3 broad themes for the new Strategy. Those 3 themes had been developed and agreed by Cllr John Ennis (Lead Councillor for Housing) and endorsed at Housing LCB (Lead Councillor Briefing).

Within each of those proposed broad themes we asked for feedback on what they thought was currently done well in Reading and where there was room for improvement. We also asked what they would consider to be the top priorities within those themes and how they could help us deliver against those priorities.

A link to an on-line questionnaire was circulated to partner Registered Providers (Housing Associations), key developers, agents and architects etc working in Reading, local private landlords and managing agents and partner organisations providing housing-related support or accommodation.

Following feedback a hard-copy and shorter version of the questionnaire was circulated to key involved tenants with their feedback supplementing views expressed by tenants at the Tenant Consultation Day.

All Councillors were also invited to complete the questionnaire as were all Council colleagues working in Housing and Neighbourhood Services. Key housing staff also gave their views as part of a wider strategy session and separate discussion sessions held with colleagues from Planning and Adult Services. The potential strategy themes and priorities were also discussed at the Reading Business Skills and Growth Group.

37 questionnaire responses were received in addition to the feedback at discussion sessions.

## Feedback on Key Themes

In consultation with the Lead Councillor for Housing we are proposing 3 main themes for our new Strategy:

- **Increasing Supply** - of all housing and in particular affordable housing for those residents unable to afford full home ownership or private rented accommodation
- **Improving Quality** - quality, safety & sustainability of homes as well as quality of service & customer engagement
- **Providing Support** - to those in the greatest need - focusing on prevention & early intervention, helping people stay in their homes and helping those who need specialist housing and/or support

## Across all the consultation there was overwhelming support for the 3 proposed themes.

However there were a few additional comments or suggested themes:

- *(From a Developer)* Diversity and supply – ensuring that the strategy supports emerging tenures such as Build to Rent or discounted first time buyer homes
- *(From a Developer)* Increasing population density in areas within close walking distance of the town and railway station and utilisation of small ‘pocket’ sites
- *(From a Registered Provider)* Should expand Increasing Supply theme to include need to provide appropriate supporting infrastructure
- *(From a Developer)* Focus on all new homes not on affordable housing ahead of other types. If build more homes the cost of all homes will become more affordable. Current affordable housing strategy may be restricting rather than facilitating more homes and associated cost burden may result in lower specifications
- *(From a Developer)* ‘Quality’ should be excluded as is highly subjective and is not a matter for planning control although quality of design is a planning matter. SME builders do not have issues with quality but because of volume builders incompetence there is intervention which will hugely impact on the SME sector
- *(From a Tenant)* Focus on making use of existing derelict land and buildings for housing
- *(From a Council Colleague)* Accessible housing including housing for older people designed with disabled people in mind
- *(From a Landlord)* How can we promote innovation and modern methods of construction? How can promote skills and training in the construction / housing sector to encourage young people in to careers?
- *(From a Tenant)* Should be a separate theme around listening to tenants and local people as they usually know best
- *(From a Councillor)* Should highlight environmental sustainability specifically
- *(From a Council Colleague)* How can we get people to look after their homes better?
- *(From a Developer)* There should be nothing additional about quality of homes as there are already considerable protections in place through Building Control, warranty providers, Ombudsman and the market itself

## **Theme 1: INCREASING SUPPLY**

Overview given in consultation:

*We are proposing that this theme will cover new supply across all tenures to offer a range of housing in the Borough meeting the needs of all local residents and support the economic growth of Reading. It will look at how we can improve the affordability of housing and who should have priority for social and affordable housing. It will also look at whether we are making the best use of the Borough's current housing stock.*

Consultees were asked to give their views on **WHAT WE DO WELL** in Reading to **INCREASE SUPPLY**. Comments included:

- *(From a Registered Provider)* Reading offers good quality retirement homes – increasing wellbeing and happiness for residents in later life. We're offering increasing choice of tenures and property types to meet changes aspirations
- *(From a Developer)* Helpful open dialogue with applicants throughout planning process
- *(From a Registered Provider)* Reading are open to a variety of tenures and work with developers to find viable solutions for schemes
- *(From a Developer)* Good at urban regeneration and permitted development
- *(From a Council Colleague)* Good partnership working with social housing landlords and supported housing partners. Also with private landlords to get them on board.
- *(From a Registered Provider)* Good partnership working with RPs, private landlords and other private organisations
- *(From a Council Colleague)* Good to see Reading building more council homes but more needs to be done
- *(From a Tenant)* Quick turnaround of void properties. Open to new ideas like prefab homes – saving money and providing quick solutions. Using *Homes for Reading* to take advantage of market opportunities
- *(From a Developer)* Reading are doing a good job of helping developments come about to deliver the many large apartment schemes being proposed
- *(From a Council Colleague)* Reading are good at using available land and building upwards
- *(From a Council Colleague)* Historically have done well in partnering with the private sector and RPs – providing land and/or funding
- *(From a Council Colleague)* We are good at increasing capacity in the private rented sector and bringing empty homes back into use. Also using *Homes for Reading* to acquire properties on the open market

Consultees were asked to give their views on **WHAT WE NEED TO DO TO IMPROVE** in Reading to **INCREASE SUPPLY**. Comments included:

- *(From a Registered Provider)* Free up more LA land and focus its use on providing more affordable homes. Give an RP the opportunity to see what can be done with existing RBC housing stock and surrounding land

- *(From a Developer)* Alter the policy so schemes under 12 don't have to provide affordable housing. Facilities such as large retail or storage units should not be located in prime town centre sites with links to rail station
- *(From a Private Landlord/Agent)* Allowing rich developers who don't live in Reading to control housing market. Allowing family homes to be split into bedsits driving families out and turning Reading into a transient place where people don't care as much as not their long term home
- *(From a Registered Provider)* Potential to improve the challenge against developers and their viability arguments for not meeting policy compliant levels of affordable homes
- *(From a Tenant)* More stringent criteria to join housing waiting list and remove a couple of bands . More priority to those born in Reading or with health/vulnerability issues. Need more houses for families rather than flats
- *(From a Council Colleague)* More affordable housing on brownfield sites including offices to flats. All properties should be super insulated not just quick and easy to build
- *(From a Registered Provider)* Look to promote sites more with developers and land owners to bring them to market earlier with a joint working approach
- *(From a Developer)* Costs of S106 and CIL payments makes final cost of housing too expensive for people who do not qualify for affordable housing
- *(From a Council Colleague)* Very little investment in or improvement of infrastructure to go along with massive house building – creating resentment from current residents. Too much new housing is too expensive for people to buy or rent. Too much of new housing being built is too small or of poor quality
- *(From a Registered Provider)* Closer RP engagement on strategic and pipeline sites. Look at more innovative solutions such as assisted purchase schemes for owners in mortgage difficulties. Take on properties from private sector under leasing arrangements. Undertake joint ventures to fund projects using public/private sector funding. Consider possibility of mobile homes and houses assembled off site
- *(From a Private Landlord/Agent)* Increase apartment block heights and concentrate development in town centre
- *(from a Registered Provider)* reduce number of tower blocks and flats – a few houses would be good
- *(From a Council Colleague)* More social housing and affordable rents. Improve private landlord accountability – bad properties, high rents, minimum choice. Look at developments over shops or using office space
- *(From a Developer)* More support for small developers. Review affordable housing thresholds so smaller schemes are more viable. Encourage greater density of development where the design is inspiring. Encourage more development that is car free or reduced parking
- *(From a Registered Provider)* Not to lose sight along with low and high rise flats that the town also needs a range of housing for families with green spaces
- *(From a Council Colleague)* Make better use of Council land – don't sell it off but offer at competitive rates to enable more housing to be built. Look at Council housing stock and land to see what could be redeveloped
- *(From a Developer)* Allow industrial sites to be changed to housing
- *(From a Tenant)* The planning process should be more open, above board and public. Less focus on housing for London commuters. All brownfield sites should be controlled by Council with Greenfield sites hit by Green Levy

- *(From a Private Landlord/Agent)* Zone areas for types of housing so developers don't overpay for land. Relax minimum apartment sizes as household sizes are reducing
- *(From a Developer)* Because Reading is a University town so housing will always be an issue unless the university provides accommodation for all its students. Putting a low bracket for affordable housing requirements means many small sites not viable
- *(From a Developer)* Planning applications take too long to process so holding up developments – planning department needs additional resources

Consultees were asked to give their views on what they thought Reading's **TOP 3 PRIORITIES** should be to **INCREASE SUPPLY**. Where possible responses have been grouped into similar issues:

<b>Suggested Priority:</b>
<p><b><u>Maximise affordable housing provision</u></b></p> <ul style="list-style-type: none"> <li>• Focus on what is affordable</li> <li>• Deliver more new build social rented housing</li> <li>• Bring RPs on board at master planning stage of new large scale developments</li> <li>• More social housing to give people security of tenure and give them a long term investment in their home</li> <li>• Increase requirement for affordable housing in new build developments</li> <li>• Increase supply of actual 'Council housing' as more secure and cheaper than private rented and 'Affordable' rents are not affordable</li> <li>• Review Affordability – make housing genuinely affordable</li> <li>• Stop Right to Buy</li> <li>• Promote more shared ownership opportunities for residents – including Key Workers</li> <li>• Purchase of homes through mortgage assistance schemes</li> <li>• Build affordable homes for ownership</li> </ul>
<p><b><u>Improve Council's role in providing/facilitating new housing</u></b></p> <ul style="list-style-type: none"> <li>• Good understanding of future pipeline and opportunities including public land</li> <li>• Identify Council land for housing including land surrounding properties and Council buildings no longer needed</li> <li>• Identify and release council owned small pockets of land for local businesses to develop</li> <li>• Council focus on facilitating/bringing forward (private and public) land for development</li> <li>• Unlock barriers facing new housing developments</li> <li>• Council to acquire land for development</li> <li>• Council to acquire empty buildings for housing</li> </ul>
<p><b><u>Increase overall housing provision</u></b></p> <ul style="list-style-type: none"> <li>• Just build more homes – will make more affordable for everyone</li> <li>• Ensure good mix of property sizes to create sustainable communities</li> <li>• Ensure good mix of tenures to create sustainable communities</li> <li>• Deliver high quality homes meeting needs of diverse population and supporting Reading's economic growth</li> <li>• Ensure sufficient associated infrastructure / local facilities – schools, GPs etc</li> </ul>
<p><b><u>Increase densities</u></b></p> <ul style="list-style-type: none"> <li>• Maximise densities especially on brownfield sites in sustainable locations</li> <li>• Encourage developments in low density suburban areas – eg redevelopment of large houses on large plots into apartment schemes or town houses</li> <li>• Concentrate new development on centre and out towards south Reading and business parks – increasing densities</li> </ul>

## **Suggested Priority:**

### **Improve policies and processes**

- Increase speed of planning process
- Increase staff in Planning Dept and ensure staff understand important issues and factors (viability etc) that affect developments and don't just appease every statutory consultee
- Alter planning policy so smaller developments (under 12) don't need to provide affordable housing
- Charge a basic Council Tax on all properties even if unoccupied to reduce incentive for developers to land bank sites and not build out
- Only give permission for affordable homes for first time buyers
- Reduce the number of planning conditions and ensure when information is submitted they are prioritised for approval as affects delivery more than new applications
- Progressive land (not property) taxation including review of Council Tax banding
- Force landlords & letting agents to loosen requirements of who they let to – don't let them say 'no housing benefit' or 'no children'
- Stop unscrupulous landlords making huge profits out of struggling tenants
- Stop land banking of key sites

### **Explore alternative funding mechanisms**

- Joint ventures with both public and private partners
- Offer RTB receipts to fund larger developments to make them affordable
- More building by private sector not housing
- Offer incentives to private developers to redevelop/refurb offices/shops etc and make available for private rent
- Incentives to private landlords to let at affordable rents

### **Make better use of existing housing & other buildings**

- More monitoring to ensure correct people are living in properties
- Make best use of existing Council stock
- Review who should have priority for social housing
- Better incentives for under-occupiers to downsize and release larger properties
- Build more sheltered housing to release under occupied homes
- Build 2 bed homes to encourage under-occupiers rather than 1 bed
- More extra care housing to bridge gap between independent living and residential/nursing care
- More lifetime and/or adapted homes to meet disabled and ageing population
- Build 3 & 4 bed properties to address overcrowding in smaller properties and then use smaller properties for downsizing
- Redevelop older sheltered housing and other housing for older people to make more attractive to current under-occupiers
- Ensure there is adequate student accommodation so existing houses are not split down into flats and still available for families
- Develop space that is already available – above shops and offices
- Stop family homes being split into multiple flats or HMOs
- Buy up all homes left empty for 5 years or that has been allowed to deteriorate and redevelop for housing

### **Consider different build options**

- Build short term fast build housing to reduce immediate needs
- Build basic accommodation – don't try and compete with market but provide more new affordable homes quickly and cheaply

## **Theme 2: IMPROVING QUALITY**

Overview given in consultation:

*We are proposing that this theme will cover how we can improve the quality of new and existing housing and neighbourhoods. It will look at how we can work together to improve design, tackle poor standards of accommodation in all tenures, improve the quality of our estates and neighbourhoods and ensure homes are safe, warm and healthy. It will also look at what we can do to improve the quality of service provided by all housing providers, landlords and support services. Finally it will look at how we can improve the way residents have their say.*

Consultees were asked to give their views on **WHAT WE DO WELL** in Reading to **IMPROVE QUALITY**. Comments included:

- *(From a Registered Provider)* Generally provide a good housing management service and partnership working of which North Whitely PFI is a good example
- *(From a Council Colleague)* Good joint working with RPs. Listening to people and their needs and what is needed in the communities and choosing right sites for development so tenants are not stigmatised
- *(From a Developer)* Improving street scenes – in particular lighting. Even simple things like hanging baskets
- *(From a Council Colleague)* Licensing of HMO and enforcement of housing standards in private rented sector
- *(From a Tenant)* Effective tenant involvement that keeps Council service accountable and have made improvements in services and value for money
- *(From a Council Colleague)* Good council house maintenance as well as effective policies and implementing good practice
- *(From a Tenant)* Council has a robust repair service and maintains properties well – including looking longer term
- *(From a Council Colleague)* Working effectively with landlords
- *(From a Tenant)* The Council has a strong reactive approach to ASB on estates
- *(From a Developer)* Public transport service is good as is open space provision
- *(From a Council Colleague)* Just starting council new build programme but really pushing quality, standardising product ranges for ease of maintenance. Think outside box – eg use of containers at Lowfield Road

Consultees were asked to give their views on **WHAT WE NEED TO DO TO IMPROVE** in Reading to **IMPROVE QUALITY**. Comments included:

- *(From a Registered Provider)* There should be a joined up approach across all services delivered to communities – the Council is the key body to make this happen

- *(From a Registered Provider)* Have a more holistic approach to partnership working and see community projects through to a conclusion instead of starting a new one before existing ones are completed
- *(From a Developer)* Things like HMO licensing don't really work should focus enforcement efforts on worst 20% landlords with additional staff resources
- *(From a Council Colleague)* More improvements and facilities needed in areas – doctors surgeries, parking etc
- *(From a Council Colleague)* Help tenants when they are struggling to maintain their properties and gardens
- *(From a Tenant)* Council should be more open to general public about its plans and reasons behind decisions. Building mistrust
- *(From a Council Colleague)* Although there is a real effort to get people involved, responding and listening to concerns could be improved
- *(From a Council Colleague)* Too many Council policies rely on good nature of landlords and letting agents – too often this places unfair burden on people trying hard to provide good service and leave real rogue landlords to get off free
- *(From a Developer)* Accept that as an expanding town not every property is going to have 24sqm of amenity space
- *(From a Council Colleague)* We need a strategic plan for how we are going to deal with the stock we have and how we can redevelop it to maximise density and improve the estates. Need to take harder line with residents who's actions 'drag down' an estate (eg not looking after gardens etc)
- *(From a Tenant)* No supporting services or facilities being built with new high rise developments
- *(From a Developer)* A bigger proportion of developer contributions should go on improving living environment (trees in urban areas, hanging baskets etc) – encourage more corporate sponsorship of such things as well
- *(From a Council Colleague)* More joint working within Council departments and a better understanding of who does what
- *(From a Council Colleague)* Improve capacity of Council's Legal Services to facilitate more effective litigation

Consultees were asked to give their views on what they thought Reading's **TOP 3 PRIORITIES** should be to **IMPROVE QUALITY**. Where possible responses have been grouped into similar issues:

<b>Suggested Priority:</b>
<p><b><u>Improve standards in private rented sector</u></b></p> <ul style="list-style-type: none"> <li>• Tackling poor housing conditions and local rent levels in the private rented sector</li> <li>• Selective licensing of all private landlords</li> <li>• Get landlords on board</li> <li>• Increased enforcement of existing laws around fitness for habitation – increased staff resources to carry this out</li> <li>• Improve capacity of Legal Services to facilitate more effective litigation</li> <li>• Working with private landlords to prevent eviction and homelessness</li> </ul>
<p><b><u>Create good quality sustainable communities</u></b></p> <ul style="list-style-type: none"> <li>• Design estates and/or housing schemes that promote a sense of place, belonging and community</li> <li>• Design with local people and communities before planning</li> <li>• Build family homes to create communities</li> </ul>



### **Suggested Priority:**

- Remember the green spaces
- Need more space between homes – causing problems as everyone living on top of each other
- Good sport and gym facilities and link spaces for cyclists
- Stop estates once built turning into ghettos – consult local people
- CIL/S106 receipts to be targeted more locally to specific sites
- Decent delegation and resourcing of neighbourhood related enforcement powers such as ASBA Community Protection Notices and TCPA Section 125 Notices to include a revolving budget to fund works in default and debt recovery
- Tackle fly tipping and dumping of rubbish

### **Listen to local people**

- Listening and responding to residents is key and only invest in neighbourhoods following consultation and true engagement – bring residents on the journey with you
- Build up trust and credibility with residents by delivering on promises so they can see benefits of active resident involvement
- Promote opportunities for residents to raise concerns about their neighbourhoods
- Improve the way residents have their say – encourages active commitment, participation and ownership
- Work with tenants – have an understanding of their needs but be clear about our expectations of them
- Make up mind how want town centre to be used – high rise housing for commuters? Retail and leisure? Office or multinational headquarter buildings? Propose a plan, consult with residents, agree a plan and stick to it – don't ad lib or deviate to please developers

### **Better service delivery**

- Make more use of modern technology to deliver services 24/7
- Focus on what customer wants not what think they should have – 'doing them a service' not 'providing a service'
- Provide consistent service – don't give in to those who shout loudest and Cllrs/Managers don't undermine staff decisions
- Say no if needed but explain - be realistic and honest about what can do
- Provide better on-line services
- Take ownership of issues
- Improve support provided by other services – not all dumped on housing. Better joint working
- Give staff good technology to give better customer service and do job more effectively
- With cutbacks perhaps some tenants would be interested in skill sharing – some ironing for some gardening or some decorating?

### **Improve quality of new build homes**

- Spend more on individual buildings to get higher quality - including better quality materials
- Don't use substandard workmen and materials – pay more now to last longer
- Through S106 or otherwise ensure developers provide a robust and 'fair' specification for affordable units
- Make sure there is enough parking

### **Improve the quality of Council properties**

- Offer incentives for tenants to maintain their homes and/or report repairs early
- Annual inspection of properties and serve improvement notices if needed
- Nothing gets done sometimes so people stop bothering reporting – especially damp issues
- Don't remove good flooring or decoration when a property becomes void
- Improve relet standards – better condition when let but expect same when handed back
- Reduce costs of bathroom/kitchen refurbishment
- Redevelop high cost defective units – provide better homes that will be looked after better and improve appearance of estates

### **End stigmatisation for residents in social housing**

- Tackle poor standard accommodation and quality of estates and neighbourhoods as leads to

**Suggested Priority:**

stigmatisation

- Do not stigmatise anyone because of tenure
- Provide great services and then promote brand – show positive side of social housing

**Make sure homes are safe, efficient, healthy, warm and affordable**

- A focus on energy efficiency and environmental sustainability
- Ensure all homes are safe warm and healthy
- Affordability of keeping a home warm is a problem for many people
- Need good insulation as a start
- Safety is the number 1 priority
- Set up projects such as social prescribing to tackle the impact of poor housing on health issues

### **Theme 3: PROVIDING SUPPORT**

Overview given in consultation:

*We are proposing that this theme will cover how our homes and the housing service we provide helps and supports those in the most need. It will look at how we can focus better on prevention and early intervention, tackle rough sleeping and homelessness and help people access safe and secure accommodation. It will also consider what else we can do to help people sustain their homes or tenancies and live independently if they wish to do so. Finally it will consider how we should meet the specialist housing needs of any particular group or community.*

Consultees were asked to give their views on **WHAT WE DO WELL** in Reading to **PROVIDE SUPPORT**. Comments included:

- *(From a Registered Provider)* Good debt advice and early intervention
- *(From a Tenant)* Provide support to tenants to sustain tenancy
- *(From a Council Colleague)* Homeless project is great
- *(From a Council Colleague)* Lots of work seems to be done with charities and rough sleepers
- *(From a Council Colleague)* Good knowledge of who and where they are, plus consistent and persistent efforts to assist even though some struggle to accept assistance
- *(From a Council Colleague)* Having Occupational Therapists employed with Council's housing team streamlines services to meet needs of disabled people
- *(From a Private Landlord)* Respond to housing benefit queries
- *(From a Council Colleague)* Dramatic reduction in the use of bed and breakfast
- *(From a Council Colleague)* Extra care and sheltered housing services seem to be really good - although some stock needs updating
- *(From a Council Colleague)* Support and advice for homeless or those threatened with homeless
- *(From a Council Colleague)* Supported housing for people with issues ranging from addiction, rough sleeping and alcohol abuse.
- *(From a Council Colleague)* Some really good temporary accommodation and supported living accommodation
- *(From a Council Colleague)* Specialist accommodation for those with mental health or learning disabilities
- *(From a Council Colleague)* Wide ranging support for people who have never lived independently – even if its just to make sure their benefits are in place to sustain tenancy

Consultees were asked to give their views on **WHAT WE NEED TO DO TO IMPROVE** in Reading to **PROVIDE SUPPORT**. Comments included:

- *(From a Council Colleague)* Need to feedback more on issues
- *(From a Tenant)* Just concentrate support on those most in need and most local

- (From a Council Colleague) Need better communication between teams on voids to make sure correct adaptations made if needed
- (From a Registered Provider) A huge lack of specialist supported housing due to lack of funding
- (From a Council Colleague) Move families through temporary accommodation quicker – good not to be in B&B but could feel forgotten or ‘parked’ there
- (From a Council Colleague) Not sure how good management by third parties of supported living – some buildings not in great condition
- (From a Council Colleague) Wider practitioner understanding of rights and responsibilities of property ownership and better understanding and application of the Mental Health Act
- (From a Council Colleague) Danger staff getting burnt out – leading to absenteeism and more pressure on remaining staff

Consultees were asked to give their views on what they thought Reading’s **TOP 3 PRIORITIES** should be to **PROVIDE SUPPORT**. Where possible responses have been grouped into similar issues:

<b>Suggested Priority:</b>
<p><b><u>Better joint working</u></b></p> <ul style="list-style-type: none"> <li>• Joint working protocols with RPs to ensure early intervention and homeless prevention</li> <li>• Develop a cohesive strategy across all relevant services to support those in greatest need – especially linking into the 3<sup>rd</sup> sector</li> <li>• Joint working between agencies to share resources and reduce pressures on both</li> <li>• Continue linking housing and social care services to help support vulnerable or elderly tenants</li> <li>• Resource CMHT so they can support housing practitioners- at moment no capacity to help with people who have lower level challenges</li> <li>• Better joint working between health, social services and housing – often ends up being a battle over who takes responsibility rather than focus on customer’s need</li> <li>• Better joint working between agencies out in the community</li> </ul>
<p><b><u>Better understanding of needs</u></b></p> <ul style="list-style-type: none"> <li>• A comprehensive assessment of people who need specialist accommodation to inform delivery via specialist providers</li> <li>• Good pre tenancy/allocation work to get as much supporting information as possible so that support needs can be identified at the earliest stage so that tenancies can be supported appropriately</li> <li>• Better identification and intervention in self neglect cases</li> </ul>
<p><b><u>Reduce homelessness and rough sleeping</u></b></p> <ul style="list-style-type: none"> <li>• Focus on helping people sustain their tenancies</li> <li>• Provide a clear pathway from homelessness into permanent accommodation</li> <li>• More temporary accommodation through modular construction</li> <li>• Homeless prevention – avoid those who are vulnerable and/or chaotic falling through net</li> <li>• Use ‘pods’ like at Lowfield Road but smaller to provide rent free short term housing to help people get back on feet – move on accommodation could be offered if demonstrate they’ve done what was required</li> <li>• Tackle rough sleepers and homeless as too many sleeping rough on the streets</li> </ul>
<p><b><u>Helping people live independently</u></b></p> <ul style="list-style-type: none"> <li>• Create older persons village</li> <li>• Look at how sheltered housing can be utilised to help tenants maintain independence with some support from a warden.</li> <li>• Bring back day centre approach for activities to prevent isolation</li> <li>• Families need short term support</li> <li>• Increase budget for adaptations as demand is there</li> <li>• Help people live independently</li> <li>• Help people stay in their home if they can manage</li> </ul>

**Suggested Priority:**

- Develop more accessible homes so need fewer adaptations in future

**Increase support available**

- Don't forget that it's not the offender but the victim who needs support
- More community hubs where people can go and meet – improved quality of life in areas where have them now
- More help and support to people on benefits – especially with Universal Credit
- Make sure people are aware of support that is available
- Involve more people with support needs in tenant participation and training
- Have area marshals who can oversee and report back anything that could be cooking before it boil over – maybe encourage good tenants to get involved

**Provide specialist accommodation where required**

- Redevelop out of date sheltered accommodation and provide new units at higher density possibly incorporating mixed use for assisted living
- Should provide group homes for people who have similar issues and need them
- People with severe mental problems should be helped in specialist support schemes not housed amongst general tenants
- Sensitive allocations so don't create sink estates and don't locate people with specific issues all together
- Think more carefully where place vulnerable people so they can thrive.

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## Appendix E

### Consultation Report Proposed priorities for Reading's Preventing Homelessness Strategy 2020 - 2025

#### Overview and reason for consultation

The aim of the consultation was to obtain views from the public, partners and other professionals regarding proposed priorities for Reading's next homelessness strategy. Reading's existing strategy is not due for renewal until 2021; however, there has been significant recent legislative change and significant reductions in the use of emergency accommodation for homeless households since 2016. Several interventions in the previous strategy have been successful and consequently, there is a need to review the borough's needs and refresh Reading's strategic objectives around homelessness.

The proposed priorities for the next Homelessness Strategy were:

- **Priority 1:** Intervening early to prevent and reduce homelessness in Reading
- **Priority 2:** Increasing access to decent, suitable accommodation
- **Priority 3:** Supporting people who are vulnerable to recurring homelessness<sup>1</sup>

#### Methodology: How we consulted

The consultation regarding the three priorities ran between 5<sup>th</sup> August and 29<sup>th</sup> September 2019.

The consultation had four different approaches, aimed at capturing a cross-section of views.

These were:

1. **Online survey via RBC's Consultation Hub (open public consultation)**  
**Target audience:** General public, businesses, university students, sector partners and internal staff (Appendix 1)
2. **One-to-one interviews with people who have lived experience of homelessness; being at risk of homelessness and of recurring homelessness**  
**Target audience:** Single people and families living in Homelessness Support Services, emergency accommodation, temporary accommodation, those attending Homelessness Prevention appointments (Appendix 2)
3. **Use of social media (Facebook and Twitter) and RBC internal communications (Intranet and Inside Housing) to provide an information piece and promote the on-line survey (Appendix 3)**  
**Target audience:** General public, businesses, university students, internal staff and those affected by homelessness
4. **Cross-sector focus groups with informed and experienced partners**  
**Target audience:** Statutory, charity and community led services who are supporting or providing a service to people who are homeless or at risk of homelessness

The on-line consultation was publicised via the following means:

- **Social media:** Facebook and Twitter
- **On-line:** Consultation hub, RBC website, Intranet, via Street Support Reading, CEO's weekly email blog and email signatures across Housing Needs

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<sup>1</sup> Please note that post-consultation the order of priorities two and three were changed

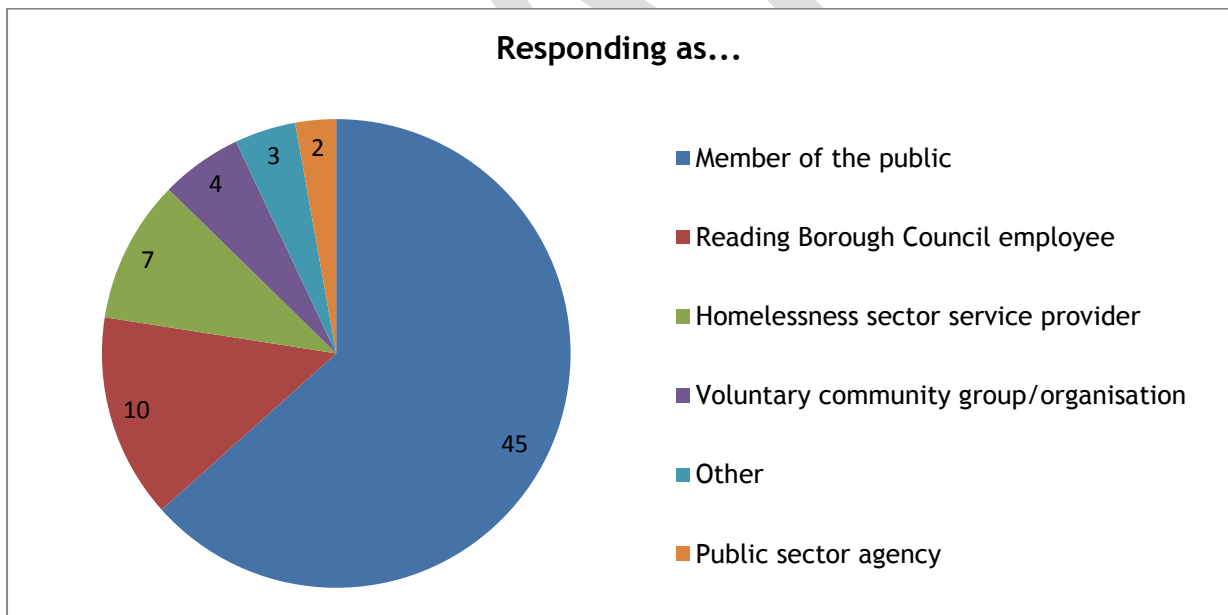
- **Press release:** to local press
- **Leaflets and posters:** RBC reception and libraries
- **Multiple cross-sector partnership meetings:** including the Access Panel, Making Every Adult Matter (MEAM), strategic groups, Street Support Reading day

### Who responded?

- 71 responses to the on-line survey
- 15 workshops and meetings with key groups/organisations and individuals who are directly supporting homeless households or whose professional work links to homelessness/homeless households between 5<sup>th</sup> August - 29<sup>th</sup> September 2019
- Service user one-to-one sessions were undertaken with three individuals
- 79 people responded to the Facebook on-line poll which asked, “Have you ever given someone a bed, your sofa or space on your floor to sleep when they didn’t have anywhere else to stay that night?”
- 26 re-tweets for the one-a-day facts tweeted over a working week between 15<sup>th</sup> - 19<sup>th</sup> August 2019

### Demography of on-line survey respondents

63% of on-line respondents were members of the public and 14% were RBC employees. Of the 11 respondents who were from homelessness sector service providers/voluntary community groups, five of these organisations attended workshops to provide further input regarding strategic priorities.



*Figure 1: Organisations respondents were from*

### **Gender**

Of those contributing to the consultation that identified their gender, 56% were female and 35% were male, 7% preferred not to say and 2% did not answer.



## Age

The age of online questionnaire respondents is profiled below:

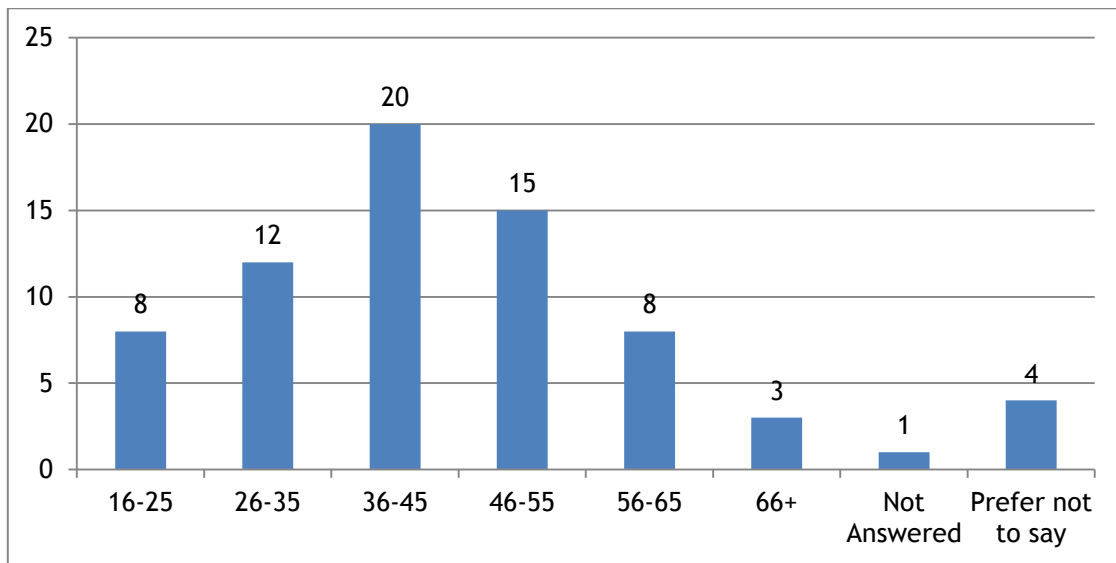


Figure 2: Responses from people online by age

Most of those who responded were aged 36 - 55; however, there were responses across all age ranges from 16 - 74 years old.

### Disability and long-term illness

Across all returned online surveys, 14% of people identified as having a disability or long-term illness.

### Ethnicity

72% of respondents defined themselves as White British, 13% defined as being from another White background, only 3% identifying themselves as within a Black, Asian or part of a Minority Ethnic (BAME) group and 12% preferring not to say, not knowing or not answering this question.

### Religion or belief

56% identified as having no religion or belief, 30% as being Christian, 1% Jewish and 13% identified as other, preferring not to say or not answering this question.

### Sexuality

Across all returned online surveys, 73% identified their sexuality as heterosexual or straight whilst 4% identified as gay or lesbian, 4% as bisexual, 1% as pansexual and 17% preferring not to say or not answering.

### Dates of responses

Most on-line responses (17) were received on 6<sup>th</sup> August 2019, the day directly after launch and initial promotion.

## **Key Findings: Summary of all on-line consultation responses**

There was clear overall support for the proposed priorities where:

- 93% agreed that they were clear
- 93% agreed with using Priority 1 within a new homelessness strategy
- 92% agreed with using Priority 2 within a new homelessness strategy
- 93% agreed with using Priority 3 within a new homelessness strategy

Overall commentary regarding these priorities, including where people disagreed with them; felt priorities/groups had been missed and had additional comments have been grouped as follows:

### **Priority 1: Intervening early to prevent and reduce homelessness in Reading**

<b>Theme from on-line responses regarding intervening early to prevent and reduce homelessness:</b>	<b>On-line consultation comments:</b>
Links to other support and treatment services as key to sustaining accommodation	Specific reference to mental health support and drug and alcohol treatment
Immediate access to accommodation for people sleeping rough - a safe place to stay at all times	
Providing the right support at the right time	“Helping those who want to be helped”
Support for people who do not speak English as their first language to enable contact with homelessness services for advice, assistance and signposting	Including refugees, asylum seekers, EEA and Non-EEA Nationals
Additional support and incentives for working families on low incomes	<ul style="list-style-type: none"> <li>• Support for low income working families into accommodation</li> <li>• “Reward” those who are working</li> </ul>
Communications between the Council and members of the public	<ul style="list-style-type: none"> <li>• Increase awareness of support available to homeless people</li> <li>• Educate people on the different ‘types’ of homelessness</li> <li>• Reduce the stigmatisation of homelessness</li> <li>• Make it easy to give money to local homelessness charities</li> <li>• “Create and maintain MUCH GREATER PUBLICITY” throughout Reading</li> <li>• Use the new Street Support Reading App to advertise what resource is needed for vulnerable people in Reading - e.g. what food donations do the Foodbank need etc.</li> </ul>
Prevention - scoping and using intelligence systems	Use systems and technology to predict homelessness

## Priority 2: Increasing access to decent, suitable accommodation

Theme from on-line responses regarding increasing access to decent, suitable accommodation:	On-line consultation comments:
Private rented sector	<ul style="list-style-type: none"> <li>• Sector needs to be affordable</li> <li>• Quality and standards need to be improved - especially Houses of Multiple Occupancy (HMOs) and disrepair issues</li> <li>• Illegal evictions</li> <li>• Incentivising landlords</li> <li>• The rental market - LHA levels do not match local market rents</li> <li>• Skills preparation within supported accommodation and temporary accommodation for independent living in the PRS</li> <li>• Unsuitable, unfit and unaffordable</li> </ul>
Temporary accommodation	Reduce the use and associated fees (storage etc.)
No Recourse to Public Funds	<ul style="list-style-type: none"> <li>• Support to reconnect to country of origin</li> <li>• Education amongst professionals regarding the difference between refugees, NRPF and asylum</li> </ul>
Refugees and asylum seekers	Accommodation and support for this group - include them within the strategy
Increased supply of social housing and long-term housing	Build housing rather than focusing only upon interventions

## Priority 3: Supporting people who are vulnerable to recurring homelessness

Theme from on-line responses regarding supporting people who are vulnerable to recurring homelessness:	On-line consultation comments:
Employment	Preparation for, opportunity for, access to and sustainment of employment to prevent and relieve homelessness
Charity and community sector	<p>Too much reliance on these funds and services due to cuts from local government</p> <p>Ensure local authority are linked to charities/third sector - a unified approach</p>

Employment and meaningful occupation of time	Upskilling in terms of life skills for independent readiness  Upskilling and creating job opportunities  Innovative meaningful occupation of time
Tackle the causes of homelessness	Commitment from wider organisations (Police)

<b>Theme from on-line responses - general comments:</b>	<b>On-line consultation comments:</b>
Resourcing of the strategy and interventions	How will the delivery of these priorities and interventions be resourced?
Begging and homelessness as separate issues	<ul style="list-style-type: none"> <li>• Anti-social Behaviour</li> <li>• Supply of drugs in Reading</li> <li>• Address organised and prolific begging; “fake” homelessness</li> </ul>

<b>On-line responses regarding groups not represented that should be considered:</b>
<ul style="list-style-type: none"> <li>• Sofa surfers and hidden homeless groups</li> <li>• Provision for single males that is not substandard, shared or dangerous</li> <li>• Dual ‘un’diagnosis; support for those misusing drugs</li> <li>• Children, young people, students and young carers</li> <li>• Specific women's provision and support</li> <li>• No Recourse to Public Funds - including those fleeing domestic abuse without recourse</li> <li>• Travellers and gypsies</li> <li>• Intentionally homeless people who form 'hidden homelessness'</li> <li>• LGBT groups</li> <li>• Ex-service people</li> <li>• Ex-offenders</li> <li>• Long-term homeless people</li> <li>• Trafficked and exploited people</li> <li>• Those where English is not a first language</li> <li>• Those experiencing substance misuse</li> <li>• Those experiencing autism</li> </ul>

## Key Findings: Semi-structured interviews with service users

Three households were interviewed as part of this consultation. The questions asked are outlined in Appendix 2.

### Case example 1

Household composition:	Couple with two dependents (aged 9 and 14)
Experience of homelessness:	Threatened with homelessness once
Reason for homelessness:	Served Section 21 by landlord who was selling the property. Household were having difficulty finding affordable accommodation in Reading - the landlord extended the notice to give more time to find alternative housing/avoid homelessness.
Current accommodation:	Temporary accommodation - placed by RBC Waiting on social rented property via Homechoice
Support needs:	Felt needed support with finding accommodation due to mental health needs.
Comments on Council intervention:	Council responded to extension of Section 21 notice by advising that could not help as no longer threatened with homelessness within 28 days.  Homelessness was prevented, but feels that if offered social rented accommodation earlier, this would have prevented having to live in temporary accommodation and moving several times which is unsettling.  Does not feel that the Council enabled access to a decent and suitable home - this would be an accessible 3-bedroom social rented property with a garden.
Services that provided support:	Launchpad who have advocated between household and the Council where this relationship had broken down - have also supported with mental health issues.  RBC Housing Officer.

### Case example 2

Household composition:	Single male
Experience of homelessness:	Rough sleeping at time approached the Council Repeated incidents of homelessness over several years

Reason for homelessness:	Homeless following release from custody
Current accommodation:	Recovery house in Woodley funded and support provided by faith sector organisation
Support needs:	Offending history, drug dependency and mental health (anger management)
Comments on Council intervention:	<p>Moved from rough sleeping into a small shared supported accommodation project funded by the Council. This was unsuccessful due to disagreements with other residents (felt like negative influences).</p> <p>Feels that the Council did intervene early enough, but that he delayed submitting paperwork (proof of address/local connection) for two years as did not feel ready - states there was no follow-up from the Council whilst he was rough sleeping, but that it was his choice not to come to the Civic Offices. However, felt confident that if he had, he would have been supported.</p> <p>Council did support into a decent and suitable home into supported accommodation, but this wasn't the right environment to progress.</p>
Services that provided support:	<p>Referred by the Council into drug and alcohol services</p> <p>Received support from Council funded Homeless Support Services and drug/alcohol services as well as faith sector accommodation/support and the CAB.</p> <p>Support included:</p> <ul style="list-style-type: none"> <li>• Support with reading and writing helped with tenancy sustainment - when served notice, could go to the Council and let them know about eviction (floating support)</li> <li>• Accessing counselling which helped with mental health and anger management (supported accommodation)</li> <li>• Live PIP (personal independence payment) claim which helped him manage his finances to sustain his tenancy (CAB)</li> <li>• Volunteering opportunities (supported accommodation)</li> <li>• Drug and alcohol support</li> </ul>

Recurring homelessness	<p>Feels that earlier signposting and support whilst in prison could have prevented rough sleeping/homelessness.</p> <p>Earlier intervention for rough sleepers could include additional checks by outreach teams when people are on the streets - if people are not engaging, there should be a question around why.</p> <p>Council could chase people for documents and updates, but that there is personal responsibility too when using drugs and alcohol was more of a priority.</p>
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### Case example 3

Household composition:	Single male
Experience of homelessness:	<p>States that made decision to end private tenancy and sleep rough for two months. Decided not to come to the Council or engage with services as needed the time to 'sort his head out'.</p> <p>However, when he did come to the Council they acted quickly - acknowledged that the Council must follow process and therefore wait times are necessary and can't be avoided.</p>
Reason for homelessness:	Previous joint tenancy; relationship breakdown resulted in leaving the property
Current accommodation:	Private rented sector one-bed flat sourced through Council's Rent Guarantee Scheme for past 8 months - move-on from Council funded supported accommodation
Support needs:	Mental ill-health and alcohol dependency
Comments on Council intervention:	<p>Referred by outreach team into Winter Shelter; moved on into 24/7 supported accommodation funded by the Council.</p> <p>Now lives in a flat which is big enough for his needs. Landlord has been receptive to requests such as installing a gate to stop people loitering and using/dealing drugs outside his address.</p> <p>Would like a garden and a house so he could have a dog. However, the agreed that the property he is now in is decent and suitable by his standards.</p>

Services that provided support:	<p>St Mungo’s Rough Sleeping Outreach Service. The Salvation Army, Faith Christian Group/CIRDIC helped by making claim to universal credit. The Transition Intervention Liaison Service (TILS) helped provide mental health support due to formerly being in the Royal Navy.</p> <p>Referred to TILS by Health Outreach Liaison Team (HOLT) and RBC. Now receives support from Launchpad and Change Grow Live (for alcohol dependency).</p> <p>If available, mental health support would have meant sleeping rough for a shorter period or perhaps not at all.</p> <p>Launchpad floating support helped with sourcing accommodation.</p>
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### **Key Findings: Focus groups**

Consultation workshops were held with representatives from the following partner organisations throughout August and September 2019:

- Adult Social Care, Brighter Future for Children (Children’s Social Care) and Drug and Alcohol service commissioners and managers
- Private Sector Housing
- Commissioned supported accommodation services, including Reading YMCA, Launchpad Reading, The Salvation Army and St Mungo’s
- Community Safety
- Business Improvement District (BID) and Connect Reading
- Clinical Commissioning Groups (CCGs) and Healthwatch Reading
- Faith and voluntary sector partners including Reading Refugee Support Group, FAITH Christian Group, Reading Minster and SADAKA

The aim of these workshops was to obtain their views on (a) whether the three identified priorities were appropriate and (b) what should be included under each of these priorities to meet their organisational and client needs in addressing homelessness in Reading.

Each group was asked:

- What is the one thing that you want to see change when it comes to homelessness in Reading?
- Do you agree with the priorities and if not, what should be included?
- How do your key priorities and strategies fit with these priorities?
- What would you/your organisation/sector need from a homelessness strategy over the next five years under each of these priorities?
- How do we deliver these priorities - both separately and together?

Partners identified several key themes which can be pulled through into Reading’s Homelessness Strategy 2020 - 2025.



## **PRIORITY 1 - Intervening early to prevent and reduce homelessness in Reading**

### **Consultation theme outcomes for Priority 1**

- Focus on intervention at the earliest opportunity to prevent crisis
- Intervening as a 'whole systems' embedded culture, across sectors, to achieve a cross-partnership intervention in homelessness prevention
- Improved internal, external and community partnerships and communications, within professional and public domains, to ensure early identification and homelessness prevention is 'everyone's business' and in 'everyone's interests'
- Education, training and upskilling amongst those who have direct contact with people at risk of homelessness, including professionals, local businesses, charities, volunteers and members of the public, regarding how to identify risk factors and intervene and/or refer into services as early as possible
- Having a responsive, accessible and reputable homelessness prevention service in Reading
- Holistic support, across sectors, for specific groups transitioning from other supportive settings into independent living for the first time for example, care leavers, those leaving the armed forces, those leaving custody, those moving on from supported accommodation or adult social care supported living, households moving on from refuges and gypsy and traveller households choosing to access settled accommodation within Reading's communities
- Enforcement as an early intervention and prevention tool, to accompany supportive interventions
- Joint commissioning/bids and strategic approaches to preventing and relieving homelessness by seizing opportunities, irrespective of each sector's position in the commissioning cycle

## **PRIORITY 2 - Increasing access to decent, suitable accommodation**

### **Consultation theme outcomes for Priority 2:**

- Homelessness not solely being a 'provision of bricks and mortar' issue
- Mapping housing need across households, including household composition and anticipated need to inform property procurement and housing development
- Maintaining standards within emergency and temporary accommodation
- Driving up private rented sector standards
- Working with housing associations and their tenants when properties are identified as being in disrepair by providing support to follow processes for improvements
- Increasing accommodation options for single people within the private rented sector, including those moving on from supported accommodation
- Developing an accommodation and support pathway for young people aged 18 - 24
- Options for gypsy and traveller communities to prevent unauthorised encampments
- Accommodation options for those without recourse to public funds

## **PRIORITY 3 - Supporting people who are vulnerable to recurring homelessness**

### **Consultation theme outcomes for Priority 3:**

- Higher need clients and households who have experienced/are experiencing multiple disadvantage
- Cyclical supported accommodation clients
- Hospital admittances and discharges
- Targeted use of existing tenancy-related support services: From intensive post-crisis to transitional resettlement support
- Social isolation, loneliness and occupation of time

## Appendix 1

### Online Consultation Hub survey questions

#### Question 1

Please can you tell us if you agree or disagree that the proposed priorities for Reading's Homelessness Strategy are clear?

#### Question 2

Please can you tell us if you agree or disagree that the following proposed priorities should be included in Reading's Homelessness Strategy?

**Priority One** - Intervening early to prevent and reduce homelessness in Reading

**Priority Two** - Increasing access to decent suitable accommodation

**Priority Three** - Supporting people who are vulnerable to recurring homelessness

#### Question 3

If you disagree with any of the proposed priorities, please tell us which priorities you disagree with and why?

#### Question 4

Are there any priorities you think have been missed?

If yes, please tell us which priorities you think we should include and why.

#### Question 5

Do you believe there to be any groups who are not represented in the proposed priorities for Reading's Homelessness Strategy? If yes, please tell us which groups you believe are not represented.

#### Question 6

Do you have any additional comments?

#### Question 7

Are you responding as a:

- Homelessness sector service provider
- Reading Borough Council employee
- Public sector agency
- Housing association/registered provider
- Local business
- Voluntary community group/organisation
- Landlord/temporary accommodation provider
- Member of the public
- Other - If you have answered 'other' please give us details.

#### About you

- What gender are you?
- Is your gender identity the same as the gender you were assigned at birth?
- Which age group do you belong to?
- Do you consider that you have a disability, long-term illness or health problem (12 months or more) which limits your daily activities or the work you can do?
- To which of these ethnic groups do you consider you belong?
- What is your religion or belief?
- What is your sexual orientation?

## **Appendix 2**

### **Interview Questions for people with lived experience**

#### **Initial questions:**

- (1) Have you ever experienced homelessness or been at risk of becoming homeless?
- (2) Have you ever experienced homelessness or being at risk of homelessness more than once in your lifetime?

#### **Regarding 'Priority One'**

- In your opinion, did the Council intervene early enough to try to prevent your homelessness?
- How did the Council intervene?
- Did any other service intervene to help you prevent your homelessness?
- Which of these interventions were successful, if any?
- What could have been done earlier, by any service, to prevent your homelessness?

#### **Regarding 'Priority Two'**

- In your opinion, when you were homeless or at risk of homelessness, did the Council enable you to access a decent and suitable home?
- Did the Council support you with finding this?
- Did any other service support you with finding this?
- What type of housing did you move into - private rented, social rented, with family, supported housing? Other?
- In your opinion, what would be a decent and suitable home for you/your family?


#### **Regarding 'Priority Three' - for those who answered 'yes' to question 2 only**

- What were the circumstances under which you found yourself facing homelessness, or were actually homeless, more than once?
- Was your homelessness prevented? Was this by the Council or another agency?
- What support did you receive from the Council or another agency to prevent your homelessness occurring again?
- What support did you feel you required to prevent your re-occurring homelessness?

## Appendix 3 Social media posts and content

# 5 THINGS YOU MAY NOT KNOW ABOUT HOMELESSNESS

HOMELESSNESS:  
IT COULD BE YOU



\*One in three working families are only one paycheque away from losing their home\* (Shelter, 2016)

[https://england.shelter.org.uk/media/press\\_releases/article/one\\_paycheque\\_away](https://england.shelter.org.uk/media/press_releases/article/one_paycheque_away)

HOMELESSNESS IS



... not having a permanent place to live.


Homelessness can be hidden. It can include temporarily staying with friends, in hostels and squats.

MOST LIKELY  
CAUSES ARE




... being evicted from a private tenancy or from a family member's home.

ROUGH SLEEPING



... represents the smallest proportion of homelessness in Reading.

SOMEONE BEGGING



... on Reading's streets may not be sleeping rough. They will probably have somewhere to stay that night.



Like Follow Share ...

Like Comment Share

Write a comment...



**Reading Council**  
August 5 · 🌐

Views are invited on tackling homelessness in Reading with a public consultation launched today. [http://news.reading.gov.uk/homeless\\_consult/](http://news.reading.gov.uk/homeless_consult/)

Read  
Borough Co  
Working better

NEWS.READING.GOV.UK

**Views Invited on Tackling Homelessness in Reading – Reading Council News**

Housing Views Invited on Tackling Homelessness in Reading August 5, 2019 David Millward TACKLING the problem of homelessness in...

👍👍 7
1 Comment 10 Shares

Like Comment Share



Like Follow Share ...

👍👍 7
1 Share

Like Comment Share

Write a comment...



**Reading Council**  
August 19 · 🌐

Reading Council created a poll.

Have you ever given someone a bed, your sofa or space on your floor to sleep when they didn't have anywhere else to stay that night? If you have, you've helped someone who could have been homeless. The Council has duties to prevent and relieve homelessness. We want to reach as many people as possible who are homeless or at risk of it. To have your say about how we do this, please complete our consultation at: [www.reading.gov.uk/HLSConsultation](http://www.reading.gov.uk/HLSConsultation)

52% Yes

48% No

This poll has ended. 79 Votes

1 Comment 2 Shares

Like Comment Share

Most Relevant ▾

Write a comment...

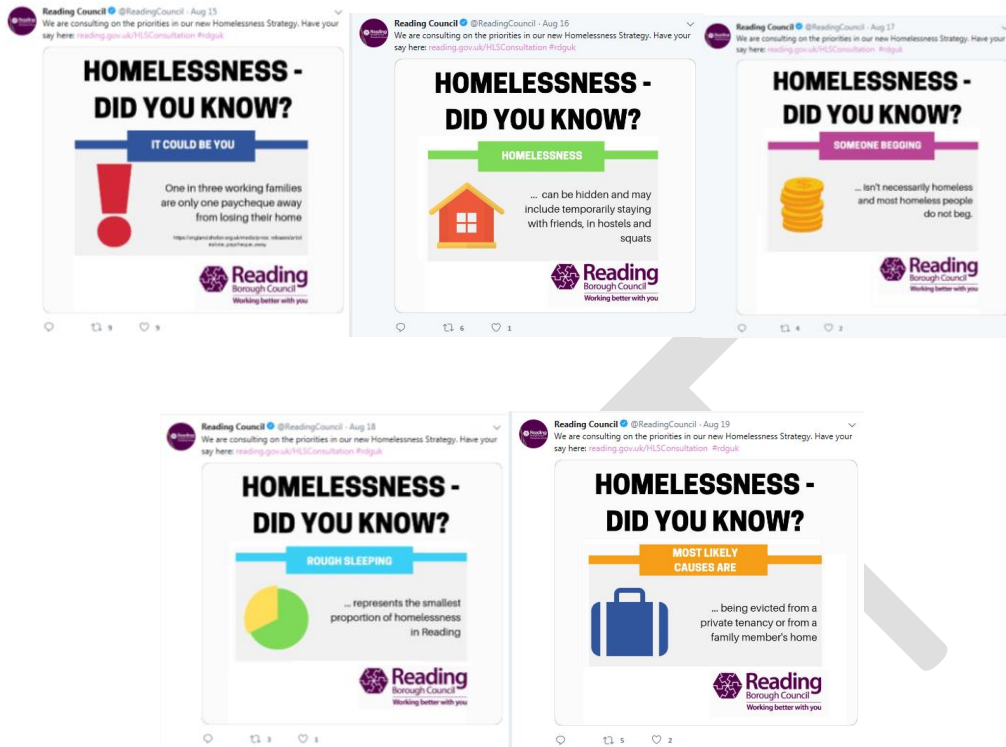


**Doda Craig Ibrahim Mpungu.**

Like · Reply · 7w

14  
Page 140

# Homelessness Strategy consultation on Twitter through 'Homelessness - did you know?' facts.



DRAFT

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## READING BOROUGH COUNCIL

### REPORT BY EXECUTIVE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

<b>TO:</b>	POLICY COMMITTEE		
<b>DATE:</b>	28 SEPTEMBER 2020		
<b>TITLE:</b>	PLANNING WHITE PAPER AND OTHER NATIONAL PLANNING CHANGES		
<b>LEAD COUNCILLOR:</b>	COUNCILLOR PAGE	<b>PORTFOLIO:</b>	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
<b>SERVICE:</b>	PLANNING	<b>WARDS:</b>	BOROUGHWIDE
<b>LEAD OFFICER:</b>	MARK WORRINGHAM	<b>TEL:</b>	0118 9373337
<b>JOB TITLE:</b>	PLANNING POLICY TEAM LEADER	<b>E-MAIL:</b>	<a href="mailto:mark.worringham@reading.gov.uk">mark.worringham@reading.gov.uk</a>

#### 1. EXECUTIVE SUMMARY

- 1.1 The government is proposing to completely overhaul the planning system in England, which was established in 1947. The Planning White Paper (Planning for the Future) was published on 6<sup>th</sup> August for consultation, and proposes a new planning system with the intention of delivering development more quickly, based around zoning land in local plans and much reduced requirements for applying for development that complies with those plans.
- 1.2 At the same time, another consultation on changes to the existing planning system looks at measures that can be introduced within the existing context in advance of primary legislation to enact the White Paper.
- 1.3 These consultations are open until 29<sup>th</sup> October. This report recommends that the Council respond to the consultations as set out in Appendix 1 and Appendix 2.
- 1.4 Appendices  
Appendix 1 - Proposed response to the Planning White Paper  
Appendix 2 - Proposed response to changes to the existing planning system

#### 2. RECOMMENDED ACTION

- 2.1 That the proposed response to the consultation on the Planning White Paper (Appendix 1) be approved.
- 2.2 That the proposed response to the consultation on changes to the current planning system (Appendix 2) be approved.

2.3 That the Deputy Director of Planning, Transport and Regulatory Services be authorised to make any amendments necessary to the response to the Planning White Paper (Appendix 1) in consultation with the Lead Councillor for Strategic Environment, Planning and Transport to take account of any changes agreed by Planning Applications Committee.

### 3. POLICY CONTEXT

3.1 The current planning system in England has been in place since the Town and Country Planning Act 1947. Changes have been made periodically, and these changes have sped up considerably over the last ten years, but they have been made within the basic framework of the system that was established after the Second World War with the intention of enabling and managing the large-scale rebuilding needed at that time.

3.2 On 6<sup>th</sup> August 2020, the Government published a Planning White Paper ('Planning for the Future') for consultation. It proposes the most fundamental change to the planning system since it was established in 1947. It starts from the assumption that the current system is unfit for purpose and stands as a significant block to the development that the country needs, and, in particular, that it is responsible for the current housing crisis. The motivation for the overhaul is therefore to remove barriers to development and significantly increase the supply of homes in particular.

3.3 Alongside the White Paper, a number of other planning changes are being consulted upon, which would operate within the current system and would be introduced largely through national policy. The purpose would be to make these changes in the shorter term before a new system can be introduced by an Act of Parliament, although some of these changes may form part of the new system.

### 4. THE PROPOSAL

#### (a) Current Position

##### *Planning White Paper*

4.1 At its heart, the Planning White Paper proposes a form of zoning system, whereby the use of all land is defined at the plan-making stage, which means that the planning application process is substantially reduced. Zoning systems exist in many other countries, including most European countries, although these vary significantly and no specific model appears to have been used in the White Paper

4.2 The White Paper is based around the following three pillars:

- Pillar One - Planning for Development
- Pillar Two - Planning for Beautiful and Sustainable Places
- Pillar Three - Planning for Infrastructure and Connected Places

4.3 The following are some of the main elements to be aware of in **Pillar One - Planning for Development:**



- Local Plans would be fundamentally changed, to become first and foremost map-based, using a standard national template and software, dividing all land in their area into three categories: ‘growth’, ‘renewal’ and ‘protection’.
- Land for ‘growth’ would be suitable for substantial development (with substantial being defined in policy), i.e. comprehensive development/redevelopment. Inclusion in the Local Plan would automatically confer outline approval or permission in principle. Flood zones would be excluded (unless risk can be fully mitigated).
- Land for ‘renewal’ would be suitable for development, which would cover existing urban areas, and include infill, town centre development etc, with the Local Plan specifying which development would be suitable where. There would be a statutory presumption in favour of development for the uses specified, and this will include some kind of automatic permission where a development complies with the specifications of the plan. It is likely that most of Reading would be a ‘renewal’ area.
- Land for ‘protection’ will be land where more stringent controls apply, either defined nationally or locally on the basis of policies in the NPPF (the implication being that local authorities would not have scope to invent their own protection categories). These could include Green Belt, Areas of Outstanding Natural Beauty, Local Wildlife Sites, local green spaces and conservation areas. Here, a planning application would be required as is the case currently. The paper states that this can include back gardens.
- Policy in the local plan would be restricted to clear and necessary area- or site-specific parameters, such as height and density. General development management policies would be set out in national policy only.
- Design guides and codes would be produced for local areas and either included within the plan or later as a Supplementary Planning Document (SPD).
- Many of the plan-making requirements would be removed, for instance sustainability appraisal, duty to co-operate and the tests of soundness, and would be replaced with a simpler ‘sustainable development’ test.
- A binding housing figure would be set at a national level through a standard methodology. This methodology would take account of constraints as well as need, unlike the current methodology, which is based on need only.
- There would be a statutory 30-month timetable for Local Plan production. The new process would include only two consultation stages - an initial call for ideas/sites, and consultation on a full draft after the plan has been submitted. Authorities would have either 30 months (where there is no local plan adopted within the last 5 years) or 42 months to adopt a new plan after the legislation comes into force.

The White Paper envisages that engagement will be made much more extensive and effective at the plan-making stage, to make up for loss of consultation opportunities at planning application stage, but the only proposals for how this can be achieved seem to be based on new technology and social media.

- Neighbourhood plans would be retained, but how they would fit in an entirely new system is unclear.
- There would be faster decision-making through new technological solutions (e.g. more automated validation, machine-readable documents), reduction on information requirements (e.g one short planning statement), standardisation of technical reports and data, standard national conditions, template decision notices. There would also be delegation to officers to decide applications where the principle is established.
- The Paper proposes refunding application fees where an application goes over statutory time limits (with no scope to negotiate extensions), and potentially a deemed consent in those cases. There would also be an automatic rebate of the application fee if an appeal is successful.

#### 4.4 The following are some of the main elements of Pillar Two - Beautiful and Sustainable Places:

- A National Model Design Code will be published in autumn 2020, accompanied by a revised Manual for Streets.
- Local design guides and design codes should be produced either as part of the Local Plan or as SPD, but will only be given weight if effective input from the local community can be demonstrated. Without local design codes, developments should comply with the national design code.
- A new national expert body on design and place-making will be set up, which will assist local authorities with design codes, and every local authority will be expected to appoint a chief officer for design and place-making.
- There will be a fast-track process for developments which comply with design codes in areas for 'growth' and 'renewal' in the Local Plan. There will also be a widening of permitted development rights to allow "popular and replicable" forms of development, according to a pattern book, in 'Renewal' areas.
- There is continued commitment to various elements of the Environment Bill, including biodiversity net gain, as well as a national expectation on trees, and the continued push for the Future Homes standard and development to be net zero carbon by 2050.
- Environmental Impact Assessment processes would be simplified.

- There would be an updated framework for listed buildings and conservation areas. The government also want to look at whether some simple listed building consents can be dealt with by suitably experienced specialists in the industry.
- 4.5 Finally, the following are the main elements of **Pillar Three - Planning for Infrastructure and Connected Places**:
- The Community Infrastructure Levy and Section 106 agreements would be abolished, and replaced with a new Consolidated Infrastructure Levy.
  - Rather than a charge per sq m of floorspace, the new Levy would be based on a proportion of the final value of a development, over a certain threshold. It would make the Levy more responsive to market conditions, but means the actual contribution would not be known until the development is completed, and may well be zero if the development value falls below the threshold. It would also only be paid on occupation, so there would be no contributions at earlier development stages. Local authorities could borrow against future levies so they can forward fund infrastructure.
  - The rate would be set nationally. It may be a single rate across the country, or more regionally based. It would continue to be collected and spent locally.
  - The Levy may be extended to cover more developments that benefit from permitted development rights, for instance where there is no new floorspace.
  - The Levy would cover affordable housing, which could be secured on-site through the levy or be an off-site payment. The implication is that the amount of affordable housing would therefore also be set nationally.
  - There is potentially more freedom on spend, and this could include provision of council services and reducing council tax. The Paper also proposes that a proportion should be kept to cover planning service costs on Local Plans, enforcement, etc.
- 4.6 Finally, the government would develop a comprehensive resourcing and skills strategy. This will include greater regulation of pre-application fees. The proposal is to work closely with the property technology ('PropTech') sector to roll out much greater digitalisation. There may be more enforcement powers, and local authorities are expected to be able to refocus on enforcement due to less application requirements.
- 4.7 For every proposal, the White Paper sets out alternative options to inform consultation, although these are generally a middle-ground between the proposals and the existing system. The government clearly does not see 'no change' as an option.
- Changes to the existing planning system***
- 4.8 Alongside the White Paper, another consultation document has been published that proposes a number of changes to the existing planning

system. These would not require primary legislation, and would be brought in in advance of the White Paper, potentially later in 2020.

- 4.9 The four changes are as follows:
- A revised standard methodology for calculating housing need;
  - The introduction of 'First Homes';
  - An increased threshold for requiring affordable housing; and
  - Extension of the 'permission in principle' process.
- 4.10 There is currently a national **standard methodology for assessing housing need** which local plan-making needs to take account of. It is based on a combination of national household projections and affordability. Using current information, it leads to a figure of 649 homes per year for Reading, which is below the 699 homes per year which was calculated for Reading's Local Plan (which pre-dated the introduction of the methodology). The new methodology provides a much greater emphasis on affordability, and would also factor in a minimum 0.5% annual growth in the existing dwelling stock. Based on this approach, using most recent available information, Reading's need would be 700 homes per annum. On the face of it, therefore, the methodology does not result in a great deal of difference for Reading, but it is worth responding to as the methodology is highly sensitive to different demographic assumptions, and could increase very significantly if the household projections change significantly (which they have done in recent years).
- 4.11 The government is also consulting on making **First Homes** a compulsory part of developer contributions to affordable housing. This is a new affordable housing product, largely to replace Starter Homes, and is defined as homes to be sold at a minimum 30% discount to local first-time buyers in need of housing. The discount would apply in perpetuity. The proposal is that at least 25% of on-site affordable housing contributions, as well as 25% of off-site financial contributions where this is provided in place of an on-site contribution, will be First Homes. National policy currently requires that 10% of all housing on sites of over 10 dwellings would be for affordable home ownership products, and in Reading this is largely delivered as shared ownership. In practice, this will mean that First Homes would generally replace shared ownership as the favoured affordable home ownership product.
- 4.12 The consultation proposes raising the **site threshold for providing affordable housing** from 10 units to 40 or 50 units, for an initial time-limited period of 18 months to enable SME developers to recover from Covid-19. The assumptions are that this would result in a 7-14% (if 40 units) or 10-20% (if 50 units) reduction in affordable housing delivery. The consultation states that the government would monitor the impacts on the sector before reviewing the approach, but there are no guarantees that the threshold would revert back to 10 dwellings after 18 months.
- 4.13 Reading is in an unusual position, in that we do not apply the existing national policy threshold in any case, and this has been supported at appeal and by the Local Plan Inspector. We will therefore continue to apply our own local policies on this matter that seeks affordable housing from all

sizes of development, but we would need to be aware that we may face fresh challenges on this at appeal.

- 4.14 A **‘permission in principle’** (PiP) application route has been in place since 2017, in which an application can be made for permission in principle for housing-led development on sites of up to 10 dwellings. This then needs to be followed by a technical details consent stage, at which the detailed matters are considered. The proposal is to extend the ‘permission in principle’ application route to include major developments, up to 150 dwellings or 5 hectares (which is the Environmental Impact Assessment limit). A time period of 5 weeks would continue to apply to these larger developments, as would the same, very minimal, requirements in terms of information submission. It is proposed to keep fees low and based on the area of the site rather than dwelling numbers, which may not be known until the technical details are applied for.
- 4.15 The permission in principle route has been little-used in Reading so far, as it offers few clear advantages for minor development over the outline and reserved matters route. However, for major developments, a 5-week route to some form of consent may prove very attractive. Fees based on site area rather than dwelling numbers may also provide a much cheaper route in Reading where sites are comparatively small by national standards.

(b) Option Proposed

- 4.16 Committee is recommended to approve robust responses to the consultation on the Planning White Paper (set out in Appendix 1) and the changes to the existing planning system (Appendix 2). These would be submitted to the government before the deadline of 29<sup>th</sup> October (for the Planning White Paper) and 1<sup>st</sup> October (for changes to the existing planning system).
- 4.17 These responses will also be considered at Planning Applications Committee (PAC) on 7<sup>th</sup> October. It is therefore recommended that it be delegated to the Deputy Director of Planning, Transport and Regulatory Services, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, to amend the response to the Planning White Paper in line with any changes agreed by PAC prior to submission of the response. However, the PAC meeting is after the submission deadline for the changes to the existing planning system, meaning that it will not be possible for PAC to amend the response in Appendix 2.

(c) Other Options Considered

- 4.18 The main alternative option is to not respond to these consultations. Given the wide-ranging implications for planning in Reading from these consultations, this is not considered to be an appropriate option.
- 4.19 A County wide response is being considered, however, there are likely to be very specific local objections which each authority would want to ensure forms part of the response.

## **5. CONTRIBUTION TO STRATEGIC AIMS**

- 5.1 The operation of the planning system in Reading contributes to the following priorities in the Corporate Plan 2018-21:
- Securing the economic success of Reading;
  - Improving access to decent housing to meet local needs;
  - Keeping Reading's environment clean, green and safe;
  - Promoting great education, leisure and cultural opportunities for people in Reading.
- 5.2 The changes proposed within the Planning White Paper may have significant impacts on the ability of planning to continue to meet those priorities.

## **6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

- 6.1 The implications for the environment and the response to the climate emergency will largely depend on the detail of the new planning system and how it will operate. Many of the environmental and climate elements in the Reading Borough Local Plan are in the general development management policies, and, under the proposed new planning system, development management policies would be set at national level. Therefore, the implications would depend on the content of those policies, but they would inevitably be less responsive to local circumstances.
- 6.2 The White Paper does continue to commit to the progress of the Environment Bill, which includes provisions such as a 10% biodiversity net gain on development sites. It also includes the objective of making new homes 75-80% more energy efficient by 2025 and achieving net zero carbon by 2050. The Government has already consulted on these proposals under the Future Homes Standard, and the intention is to continue with this proposal.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

- 7.1 The proposed response to the consultations does not require community engagement.
- 7.2 The Planning White Paper would result in fundamental changes to the planning system that will have sweeping implications for community involvement. The paper intends that much more fundamental and wide-ranging consultation will be included at the plan-making stage, to counterbalance the loss of consultation opportunities at the planning application stage. However, there are no firm proposals for how this would work, and it seems to rely largely on technological solutions and greater use of social media, which would increase engagement with younger people, who tend to be heavily under-represented in planning consultations. More detail is needed on how this would work in practice. In reality, the streamlined local plan process over a 30-month period would include only two opportunities for community involvement (the recent Reading Local Plan process had four), and there would be no opportunities for engagement on matters such as development management policies, which would be set at national level.

## **8. EQUALITY ASSESSMENT**

- 8.1 The Planning White Paper specifically asks for responses on the equalities impacts of the proposals. These impacts would need to be formally assessed when greater detail of the proposals is available. There are no equalities implications of the recommended actions of this report.

## **9. LEGAL IMPLICATIONS**

- 9.1 The current planning system was established by the Town and Country Planning Act 1947. The current primary legislation covering the planning system is set out in the Town and Country Planning Act 1990 and the Planning and Compulsory Purchase Act 2004.
- 9.2 Implementation of the proposals in the Planning White Paper would require a new act of parliament to replace the existing acts. No firm timescales for enacting legislation are set out in the White Paper, but the paper does specify that it would want the new generation of local plans in place by the end of this parliament.
- 9.3 Permission in principle (PiP) was introduced as Section 58A of the Town and Country Planning Act 1990 by the Housing and Planning Act 2016. The Town and Country Planning (Permission in Principle) (Amendment) Order 2017 specifies that PiP cannot apply to major development. Secondary legislation will therefore be required to make the proposed amendments to PiP.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The preparation of the responses has been undertaken within existing budgets and does not have any financial implications for the Council.
- 10.2 The proposals in the Planning White Paper would have very substantial and wide-ranging financial implications for the Council. At this stage, it is not possible to fully assess how the system will operate and how it would be financed. The planning function would be resourced very differently, with much more of a focus on setting expectations for sites up front in planning policy, and much less at application stage, which would also have implications for income from application fees. The White Paper suggests that a portion of the Consolidated Infrastructure Levy could be retained to help fund the planning service, although it does recognise that there will continue to be some need for central funding.
- 10.3 The proposed new Consolidated Infrastructure Levy would directly affect the money available to local authorities for infrastructure provision, but, again, until firm proposals are in place it is not possible to assess the financial implications in full. The most clear-cut implications include that the Council would lose the ability to set its own levy requirements, and would be dependent on national government to set a levy rate that reflects the circumstances of authorities such as Reading. There would also potentially be more freedom on spend, to enable services to be funded as well as infrastructure.

- 10.4 The other changes proposed for consultation may also have financial implications. National policy which requires 25% of off-site affordable housing contributions to be spent on First Homes would reduce the funds available for Local Authority New Build. If applied in Reading, the raising of the threshold for affordable housing contribution could also reduce the financial contributions that the Council receives, although the largest impacts would be expected to be on on-site affordable housing provision. Finally, the extension of PiP could offer a cheaper route to outline planning permission and could therefore reduce application fee income.

#### Value for Money (VFM)

- 10.4 The consultation has potentially very serious financial implications for the Council, and a robust response at this stage therefore represents good value for money.

#### Risk Assessment

- 10.5 There are no direct financial risks associated with making this response.

#### **BACKGROUND PAPERS**

- Planning for the Future - Planning White Paper (August 2020)  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/907647/MHCLG-Planning-Consultation.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907647/MHCLG-Planning-Consultation.pdf)
- Changes to the Current Planning System Consultation (August 2020)  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/907215/200805\\_Changes\\_to\\_the\\_current\\_planning\\_system\\_FINAL\\_version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907215/200805_Changes_to_the_current_planning_system_FINAL_version.pdf)



## APPENDIX 1: PROPOSED READING BOROUGH COUNCIL RESPONSE TO CONSULTATION ON PLANNING WHITE PAPER

**Q1. What three words do you associate most with the planning system in England?**

Local, accountable, transparent.

**Q2(a). Do you get involved with planning decisions in your local area? [Yes / No]**

Yes.

**Q2(b). If no, why not? [Don't know how to / It takes too long / It's too complicated / I don't care / Other - please specify]**

Local authority response

**Q3. Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future? [Social media / Online news / Newspaper / By post / Other - please specify]**

Local authority response

**Q4. What are your top three priorities for planning in your local area? [Building homes for young people / building homes for the homeless / Protection of green spaces / The environment, biodiversity and action on climate change / Increasing the affordability of housing / The design of new homes and places / Supporting the high street / Supporting the local economy / More or better local infrastructure / Protection of existing heritage buildings or areas / Other - please specify]**

As a local planning authority, it is not possible to choose only three of these priorities, all of which are extremely important for us to achieve.

However, the Council declared a Climate Emergency in February 2019, and action on climate change is a priority which must guide all that local and national government does into the future.

**Q5. Do you agree that Local Plans should be simplified in line with our proposals? [Yes / No / Not sure. Please provide supporting statement.]**

No.

The need for these changes to be made is not evidenced. In Reading, there are 3,754 dwellings with planning permission but not started at March 2020, which is enough to meet our needs for over five years. This is not unusual - the number of homes with permission but not started has generally hovered between 2,000 and 4,000 over the last 15 years. In addition, in Reading at March 2020, there are local plan allocations and developments with a resolution to grant permission subject to Section 106 for almost 9,000 homes. The existing planning

system delivers land for homes here, and a fundamental change to the system is simply not required.

As the White Paper consultation states, there are many zoning-based systems in other countries, particularly in Europe. These zoning systems may create the greater certainty that the government is looking for, but all systems have their pros and cons. However, this White Paper does not appear to have been based on any analysis of any of the zoning systems that have operated for many years elsewhere and the effects of which have been widely studied, but rather attempts to build a bespoke, experimental, extremely light touch zoning approach from scratch. What consideration has been given to lessons that have been learned from other countries? Do these systems speed up development, and if so, what are the consequences? We would expect such a fundamental change in how planning works to have been properly researched and considered.

The proposal that land be zoned for only three categories ('growth', 'renewal' and 'protection') is extremely restrictive and does not in any way reflect the complexity of the areas that these local plans will cover. As an urban borough with very few greenfield sites, most of Reading for instance would fall within the 'renewal' category. However, renewal will take many different forms across the town. In the town centre, it may involve high density redevelopment of underused areas including buildings of more than 20 storeys - or, within a few hundred metres of the same site, it may include low-rise, sensitively-designed development within a conservation area or its setting. Outside the town centre, it may involve medium density development along public transport corridors, extensive regeneration of suburban housing estates, or very small-scale infill within areas of existing high quality character. The current local plan system can, and does, reflect these vital differences, but simply badging something as 'renewal' on a map and then giving broad guidelines on what is acceptable cannot.

The different application processes for 'growth', 'renewal' and 'protection' areas set out in this White Paper create an incentive for authorities to identify land for protection as open countryside, because it appears that the alternative is largely uncontrolled development. A protection designation under the current proposals at least results in a planning application. Some sites that might actually be appropriate for the right form of development may well end up in the protected category, and this may therefore serve to prevent supply coming forward in some cases.

The proposal also fails to fit with our experience of how the planning system operates. The proposals rely upon accurately predicting how developers and landowners will want to develop their sites in the future, but in our experience this can change substantially over time, and the development that comes forward is rarely exactly the same as that which was proposed at the time the plan was drafted. This means that setting policies with appropriate levels of flexibility to take account of these changes is an essential part of local plan-making and actually helps to deliver development. Certainty in the local plan only works if that certainty is reflected in the developer intentions.

In summary the proposals have potentially huge implications, and may well not work in the manner intended, with risks including poor-quality development and, in some cases, actual suppression of supply. The need to make such a

fundamental change to a system which was, after all, founded to deliver significant post-war growth, and was successful in doing so, must be much more clearly established based on real evidence. RBC does not believe that evidence would point to a need to make changes to the basic principles of the system, but if the need for a change is clearly demonstrated, the government should look first at the operation of those systems which already exist.

**Q6. Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out general development management policies nationally? [Yes / No / Not sure. Please provide supporting statement.]**

No.

This amounts to a wholesale centralisation of much of planning policy. Local areas will lose much of the control that they have over the form of development, leaving only location and design in their hands. They will no longer have the ability to set policies that respond to their own local priorities and deliver the development that the local community needs. This will lead to a further deterioration in confidence in the planning system, and will undermine any notion of changing public opposition to development.

In addition, the tendency for national government to continually change the planning system means that it is highly unlikely that there will be any consistency in these policies, which will almost certainly change frequently, and in ways which some developers will exploit to provide poor quality developments. It is also fair to say that national leadership on some matters, for instance climate change, has been considerably behind some local authorities, and a reliance on purely national level development management policies may well mean a reluctance to meet key challenges.

If national development management policies are to be set, the process for putting them in place needs to be improved. Local planning policies have to go through a rigorous process including consultation, sustainability appraisal (or equivalent) and public examination. This means that they can be given considerable weight at determination. National planning policy goes through a much lighter-touch process, and one of the consequences of this is that it can change much more frequently. A process would be required which ensures that policies are appropriately tested. There does not appear to be any suggestion in the consultation that such a process will be in place.

**Q7(a). Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of “sustainable development”, which would include consideration of environmental impact? [Yes / No / Not sure. Please provide supporting statement.]**

Not sure.

RBC would need to see details on how this “sustainable development” test is actually worded before an opinion could be given.

RBC has concerns about the removal of the duty to co-operate in the continued absence of any genuine strategic planning. The duty is far from the ideal tool in

ensuring that areas are properly planned to take account of strategic matters, but it is better than nothing at all. Whilst there would presumably continue to be provisions for authorities to undertake joint planning, one of the main levers that promotes such joint planning is the need to demonstrate that the duty to co-operate has been complied with.

***Q7(b). How could strategic, cross-boundary issues be best planned for in the absence of a formal Duty to Cooperate?***

More formalised strategic planning is required if there is to be no duty to co-operate. In many cases, this would best be based on a city region approach, with local authorities working closely together to meet the strategic priorities of their areas. Without any firm proposals for stronger strategic planning, the removal of the duty to co-operate will mean that strategic issues are often simply not planned for, leading to disjointed development and failure to support development with the right strategic infrastructure.

***Q8(a). Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced? [Yes / No / Not sure. Please provide supporting statement.]***

No.

A standard methodology for assessing needs, where that methodology is soundly based and does not fluctuate significantly from year to year, is a helpful way of eliminating much of the back and forth at local plan examination stage. However, it needs a local assessment of constraints for this to be translated into a proposed supply figure. There is no way for constraints to be accurately assessed at the national level for an authority such as ours. Whilst it may be possible to use broad definitions such as Green Belt, AONB and designated wildlife sites to calculate a capacity for some areas, in an urban area such as Reading where many of those constraints do not exist and where almost all development is brownfield, the only way to reliably assess capacity is a site-by-site analysis taking account of the unique circumstances of each site. This cannot be done at a national level. It is far better to calculate the need at a national level and continue to allow local planning authorities to use their local knowledge of capacity to assess what can actually be delivered.

***Q8(b). Do you agree that affordability and the extent of existing urban areas are appropriate indicators of the quantity of development to be accommodated? [Yes / No / Not sure. Please provide supporting statement.]***

No.

Affordability is an appropriate indicator of need, although it needs to be carefully balanced by other factors.

The extent of existing urban areas is not a good indicator of the quantity of development to be accommodated, in part because relying on this will create a self-perpetuating cycle whereby the more homes are delivered, the greater the need. RBC has responded in more detail on this in the response to changes to the current planning system. Whilst it is true that it is often the most sustainable solution to focus on existing urban areas, it is not always the case,

and, in any case, use of household projections already accounts for this to some extent because the needs will generally arise in existing urban areas.

***Q9(a). Do you agree that there should be automatic outline permission for areas for substantial development (Growth areas) with faster routes for detailed consent? [Yes / No / Not sure. Please provide supporting statement.]***

No.

The proposed automatic outline permission gives no scope to consider whether there has been a significant material change that means that development is no longer appropriate. Even with the streamlined process, a new local plan would take 30 months to prepare, which may not be sufficiently fast to respond to those changes. The current system, in its wording of Section 38(6) of the Planning and Compulsory Purchase Act 2004, allows for these material considerations to be taken into account.

The need for a masterplan to be in place prior to submission of the detailed application is noted, but if these are to follow on from the local plan (which is probable, as the 30-month timescale for local plan production is unlikely to give sufficient time to prepare a masterplan) it would need to be an established principle that authorities can refuse the detailed permission if such a masterplan does not exist.

Reference is made to faster routes for detailed consent, but no details are available on what these would be, unless this is a reference to the faster decision-making under Proposal 6, in which case RBC's comments in response to Q10 apply.

***Q9(b). Do you agree with our proposals above for the consent arrangements for Renewal and Protected areas? [Yes / No / Not sure. Please provide supporting statement.]***

No.

Judging by the comments in the White Paper, we anticipate that most of our area would be an area for 'renewal'. The proposals for how planning approval would be given in such areas are, frankly, confusing. The three routes to consent are set out on p34, although actually, it is four routes to consent because planning applications that do not accord with any of those three routes can still be considered in the normal manner, and based on our experience of planning in an urban area, development will come forward in a form not predicted in the local plan much more frequently than the White Paper seems to anticipate.

However, the ways in which terms are used interchangeably makes it difficult to work out what is actually proposed. Page 34 refers to an 'automatic permission' for certain development types, which mirrors the language for growth areas, where a form of permission in principle is proposed. However, it then cross-refers to the fast track for beauty proposals, which in that section are couched more as a permitted development right subject to certain criteria.

Meanwhile, a statutory presumption in favour of local plan-compliant development is also proposed in ‘renewal’ areas. The text on p34 refers to this being development that complies with the local plan description and NPPF. No mention of local design codes is made, leading to the question of which applications will actually benefit from those codes other than area-specific codes for growth areas.

The proposals also seem to set up a dual system, whereby a developer could choose to exercise permitted development rights via a national pattern book approach, or to make an application for local plan-compliant development. Although it is appreciated that local authorities can seek to modify (not replace) the pattern book, the starting point appears to be that developers can ignore the local plan and instead go down a pattern book route. Much of the development that takes place in renewal areas would therefore be development over which the local authority has no control. We strongly disagree that this is an appropriate approach. A genuinely plan-led system with strong emphasis on local design preferences would not contain these potentially wide-ranging permitted development rights.

In terms of ‘protection’, there are a number of issues with the proposals.

Firstly, the suggestion seems to be that local authorities will only be able to choose from a shopping list of possible protections that are set in national policy. This would prevent local authorities from identifying their own protections that pick up on matters of local, rather than national, significance. Almost inevitably, national policy would be unlikely to be able to adequately cover all possible protections that may be needed at local level.

Secondly, when protections are included in a local plan, they are not necessarily protections against all form of development, but come with important contextual wording that clarifies how the protection will apply. Simply zoning an area for protection will not give the required level of granularity.

Thirdly, it is noticeable that the certainty that would be afforded to ‘growth’ areas would not be reflected in a corresponding certainty in ‘protection’ areas. There is no automatic refusal proposed in such areas that counterbalances an automatic approval in growth areas, rather it is anticipated that a planning application would be made as under the current system. Developers, benefitting from automatic consents elsewhere, will be able to simply funnel their resources towards areas defined for protection, where there could be an increase of appeals.

Finally, the proposal states that the ‘protection’ areas can include back gardens. On a purely map-based local plan system, is the suggestion that a local planning authority should map every back garden that is proposed to benefit from this protection? It does not seem practical to do so, and would potentially lead to much discussion of individual gardens at examination stage, which cannot be a good use of time. Further thought is needed about how this would operate.

***Q9(c). Do you think there is a case for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime? [Yes / No / Not sure. Please provide supporting statement.]***

No.

The Nationally Significant Infrastructure Projects process removes all local democratic accountability from the process, and using it to determine proposals for new settlements would amount to a huge power grab by central government, as the Secretary of State would be the decision-maker.

New settlements are not nationally significant in the same way as vital infrastructure projects are, where there are often limited options for how that infrastructure can be delivered and where it benefits a much wider area than the local authority or even the region. It is of course essential that the homes that the country needs are delivered in total, but a new settlement is in most cases one of a number of options for how those homes (which are usually derived from a local rather than national need) are delivered in a local area, and it is not therefore a decision which is appropriate to make through this process.

This proposal works against some of the ostensible aims of the White Paper. It is pure fantasy to imagine that local residents will happily engage in a local plan process to make developments of a few dozen homes more 'beautiful', whilst a new settlement of many thousand new homes down the road would be dealt with over the heads of local representatives by the Secretary of State.

***Q10. Do you agree with our proposals to make decision-making faster and more certain? [Yes / No / Not sure. Please provide supporting statement.]***

No.

There are some elements of the proposals which would be helpful to all concerned, including shorter and better presentation of the key data and technological solutions to improve validation timescales. However, these could easily be introduced within the current framework and would be far more effective in that context, assuming that planning departments are sufficiently resourced.

As for proposals on local plans, there is a massive reliance on technological solutions to make processes faster and more consistent. RBC agrees that working towards this is in everyone's interests, and this is now more critical than ever following large scale remote working brought on by the Covid-19 pandemic. However, we have used various software packages to manage the application process over the years, and our experience suggests that this is a considerable hurdle to overcome. Therefore, we are very concerned that legislation could end up being introduced before the technology is in place and is affordable to allow local planning authorities to adequately comply with it. Given how important it is to the White Paper proposals, ensuring that the technology and funding is in place must be a prerequisite to introducing the legislation to avoid a chaotic situation playing out.

The proposals would delegate technical details to officers where the principle of development has been agreed, and would therefore reduce democratic oversight of planning decisions on some very major developments. Technical details in some cases are much more wide-ranging than the title suggests, and

may include such matters as height. Removal of local democracy from this process will only serve to further erode public confidence in planning.

We do not agree with any notion that there should be either a refund of the application fee or a deemed consent for any application that is not determined within statutory timescales. Difficulties in determining applications within timescales are often the result of lack of resources, and this will hardly be solved by the fees on which local authority planning departments depend being returned. A positive conversation about how planning should be better resourced is needed, and it is fundamental that any reforms ensure planning departments are sufficiently resourced if the reform is to have any chance of success from the outset. In addition, often long determination periods are not the fault of local authorities and relate to getting input from statutory consultees or are because the applicant has not provided adequate information. In terms of deemed consents, allowing poor quality developments simply because applications were not determined in time punishes a whole community and may cause severe environmental impacts simply because of a procedural issue. This would be a wildly disproportionate sanction.

In addition, we fundamentally disagree with any suggestion that local authorities should have to refund the application fees for developments when an appeal is allowed. This would only exacerbate any financial incentive to appeal a decision, and would create a climate in which local authorities cannot refuse an application without certainty that an appeal would be dismissed. Such certainty is rarely possible, as Planning Inspectors' decisions are not always predictable, and can be inconsistent.

Should the changes to decision-making proposed here be made, this would need to be accompanied by appropriate transitional funding, alongside some form of ring-fenced income generation to replace or supplement planning application fees.

***Q11. Do you agree with our proposals for accessible, web-based Local Plans? [Yes / No / Not sure. Please provide supporting statement.]***

Not sure.

RBC is supportive of the principle of plans being web-based and accessible from all devices, which can only aid transparency and make consultation processes run more smoothly. However, this will only be the case if functioning software can be rolled out to achieve this. Our strong concern is that legislation will be brought in in advance of that functioning software resulting in a situation where local planning authorities are expected to comply with legislation for which the technology is simply not in place.

In terms of being purely map-based, in practice this will be difficult to achieve, even if development management policies are set out at the national level. The White Paper talks about the potential for design codes to be part of the local plan, and there will be a need to set out parameters for what development is identified for growth and renewal areas. An accompanying document will always be necessary, even if it is slimmed down.



**Q12. Do you agree with our proposals for a 30 month statutory timescale for the production of Local Plans? [Yes / No / Not sure. Please provide supporting statement.]**

No.

The only way a 30-month timetable is achievable is by significantly reducing opportunities for the community to be involved, which flies in the face of local democracy in plan-making. This is demonstrated by the proposed process, which has two stages at which the community are involved - Stage 1, where there is a call for ideas, and Stage 3, after the plan has been submitted. This means that there is no stage at which the local planning authority publishes a draft plan and is then able to respond to the consultation, because at this point the plan has already been submitted. Opportunities for the public to make their voices heard are proposed to be removed at the planning application stage, due ostensibly to the front-loading of involvement at the plan-making stage - yet, in actual fact, opportunities for involvement are also proposed to be removed at plan-making stage.

Even with the restricted consultation process proposed, a 30-month timescale would be challenging enough in an authority such as Reading which receives comparatively few representations. In an authority where a local plan regularly generates more than 10,000 representations, simply reading and considering those representations is a hugely time-consuming process, and trying to fit this into a very short timeframe will mean needing a huge investment in temporary resources to deal with them. Technology on its own will not be a substitute. Even if technology allows for quick analysis of a standard questionnaire, in practice consultees want to make comments that do not necessarily fit into standard questions, and if they are denied that opportunity this will certainly not help to engage and empower the community.

Other constraints on achieving a plan within this timescale will be the capacity of the Planning Inspectorate. Our, relatively straightforward, local plan was submitted in March 2018, yet it was not until September 2019 that an Inspector's Report was received. The consultation notes the delays with the Inspectorate as needing to be addressed, but does not include any proposals for doing so. Hopefully, the expectation is not that Inspectors will be freed up by a reduction in planning appeals, as that is highly unlikely to be realistic.

Finally, it is worth noting that one of the biggest reasons that there is a delay in plan-making is because of continual changes by central government. Plans reach advanced stages of preparation, yet policy or legislation at national level changes and authorities need to redraft their plans or review their evidence base, or wait to see whether changes that have been mooted in white papers, ministerial announcements or, as recently, opinion pieces in national newspapers will be followed through, and how. This considerable uncertainty is never recognised in documents such as the White Paper as being part of the problem, but it should be, as it works in direct opposition to swift plan-making, and is the biggest contributor to plans being out of date as soon as they are adopted.

**Q13(a). Do you agree that Neighbourhood Plans should be retained in the reformed planning system? [Yes / No / Not sure. Please provide supporting statement.]**

No.

Neighbourhood plans as they currently exist simply do not fit into the proposed system. If development management policies are set nationally, and a local plan has defined all land within its area for growth, renewal or protection, and design codes are also outside this process, there is nothing left for Neighbourhood Plans to do. They will simply exist as a wish-list with no bearing on the development that actually takes place. This will serve only to lower confidence of local residents in the planning system. The proposed local design codes offer an opportunity for neighbourhoods to help shape developments, but it does not appear to be the proposal that these be introduced as neighbourhood plans.

**Q13(b). How can the neighbourhood planning process be developed to meet our objectives, such as in the use of digital tools and reflecting community preferences about design?**

As set out in our answer to Q13(a), if there is no clear role for neighbourhood planning in the new system, there would be no purpose in reflecting community preferences, and doing so will only increase mistrust.

**Q14. Do you agree there should be a stronger emphasis on the build out of developments? And if so, what further measures would you support? [Yes / No / Not sure. Please provide supporting statement.]**

Yes.

The government is correct to say that there is a need to examine ways to secure timely build out of developments, and prevent ways of housebuilders sitting on land with planning permissions. However, there is a misplaced belief that the best way to do this is through the planning system, as planning permission generally relates to the land, not to the identity of the developer. The government needs to look at other ways of regulating the market rather than the planning regime, which is unlikely to be an efficient way of tackling the issue.

**Q15. What do you think about the design of new development that has happened recently in your area? [Not sure or indifferent / Beautiful and/or well-designed / Ugly and/ or poorly-designed / There hasn't been any / Other - please specify]**

Other.

It is not possible to generalise about the design of development in our area in this manner. Quality differs between developments. However, it is certainly worth stating that some of the poorest development that has taken place has come through the permitted development route.

**Q16. Sustainability is at the heart of our proposals. What is your priority for sustainability in your area? [Less reliance on cars / More green and open spaces / Energy efficiency of new buildings / More trees / Other - please specify]**

Other.

Our sustainability priority is tackling and adapting to the climate emergency. All of the items specified in the question are a bare minimum requirement in achieving this priority, as is much more, such as dealing with flood risk and extreme weather events, protecting and enhancing biodiversity, promoting renewable and decentralised energy and reducing waste. These priorities cannot be divorced from one another.

**Q17. Do you agree with our proposals for improving the production and use of design guides and codes? [Yes / No / Not sure. Please provide supporting statement.]**

Not sure.

Design guides and codes can be very useful, and the principle of wider use of them is reasonable. However, the increased use of local design guides and codes is highly dependent on sufficient resources in terms of time, money and skills being available, as set out elsewhere in our response. This will need to be addressed within the resourcing strategy mentioned in the White Paper, and an assumption that resources currently directed to development management can be reallocated to design guides will not be sufficient.

The White Paper also proposes that design guides should only be given weight where it can be demonstrated that local input has been secured. There will need to be further guidance to substantiate what this means, and how it is to be demonstrated. It could imply a simple consultation statement, or it could also mean a local referendum as in neighbourhood planning. One of the risks of this clause is that it will lead to poorer design outcomes in less affluent areas, where residents tend to be less well engaged with the planning process. Efforts should of course be made to improve this engagement, but it is not always possible, and it may mean that a local design code cannot achieve sufficient weight to be relied upon in some areas.

**Q18. Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making? [Yes / No / Not sure. Please provide supporting statement.]**

Not sure.

The establishment of a new body would be one way of helping to address the skills and resourcing issues that local authorities are likely to face. However, the specific remit of such a body would need to be defined before we could comment further.

It is not currently clear that local authorities will have the resources to appoint a chief officer for design and place-making. Whilst applications may reduce, so

will application fees with automatic permissions, and the expectation that local authorities will simply be able to reallocate resources to other priorities such as design or enforcement may well be misplaced. In addition, urban design skills are a limited resource, and it is not at all clear that there are sufficient qualified and experienced individuals for every authority in England to have a chief officer for design and place-making. There needs to be further thought on how this would be resourced.

***Q19. Do you agree with our proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England? [Yes / No / Not sure. Please provide supporting statement.]***

Yes.

Placing a further emphasis on design would be welcome, as long as Homes England is adequately resourced to deliver it. Much would depend on the wording, however.

***Q20. Do you agree with our proposals for implementing a fast-track for beauty? [Yes / No / Not sure. Please provide supporting statement.]***

No.

The fast-track to beauty is a seriously misleading concept. A fast-track route for development that complies with the plan and a design code does not equate to beauty, however good that design code is. Beauty is a hugely subjective term. The more prescriptive a design code is to try to achieve this intangible 'beauty', the more likely it is to restrict truly innovative design and architecture that might actually deliver what many consider to be beautiful developments. Aesthetic quality is not by any means the sole determinant of a successful development.

This also betrays a lack of understanding of local opposition to development. The aesthetic quality of development is rarely the main reason that local residents object. Strain on infrastructure is much more significant, as are noise and disturbance and environmental impacts. However 'beautiful' a development is, if it places an unacceptable burden on roads and schools, residents will object, and it is not clear that the infrastructure proposals in this White Paper will do anything to resolve that. Planning is about much more than agreeing with the design of a development, but the proposal does not make clear how all of the other issues that need to be considered will be resolved.

RBC is not opposed to an increasing emphasis on local design codes, and would actively welcome any change which will genuinely allow local areas to reject poor design. However, it is not clear how local authorities will be resourced to create these design codes (in terms of time and staffing, but also in terms of skills), as there will inevitably be great variation in these codes even within local areas.

The White Paper proposes that permitted development rights should be rolled out to 'popular and replicable' forms of development, using a pattern book approach. This will inevitably lead to the increasing standardisation of development across England, and result in an accelerated decline in local

distinctiveness. As such it is likely to actively work against achieving 'beautiful' development. Such a proposal will also hugely benefit the large housebuilders that already dominate the market, who will tailor their standard products to these national pattern books and roll them out at scale across the country. The proposal that local areas can define elements such as materials might help achieve some level of local distinctiveness (where there are locally-distinctive materials in the first place), but this will only be skin-deep.

We are also generally concerned that permitted development rights are being proposed to be further expanded even within the context of a planning system with much reduced local oversight. Surely a new system should be in place of expanded permitted development rights, not alongside it? If the system is designed properly, and a well thought out zoning system is introduced, there should be no need for further deregulation via permitted development.

***Q21. When new development happens in your area, what is your priority for what comes with it? [More affordable housing / More or better infrastructure (such as transport, schools, health provision) / Design of new buildings / More shops and/or employment space / Green space / Don't know / Other - please specify]***

Other.

All of the above, as well as many others, are priorities.

***Q22(a). Should the Government replace the Community Infrastructure Levy and Section 106 planning obligations with a new consolidated Infrastructure Levy, which is charged as a fixed proportion of development value above a set threshold? [Yes / No / Not sure. Please provide supporting statement.]***

No.

This proposal on the face of it would have some merit in reducing discussion around contributions, particularly affordable housing, and making the application process quicker. However, the risk is that a set levy rate will have to be set at a lowest common denominator level (as it is for CIL) and will therefore actually reduce contributions to affordable housing. In addition, the more one delves into the detail, the more difficult it is to see how this proposal could satisfactorily be achieved.

Use of development value to calculate the levy causes some issues. A levy which is calculated at the stage that the development is completed will be difficult to predict. Decision makers will need to assess a development without being at all clear how much, if anything, will be contributed either in-kind or as a payment, including affordable housing. This will make it impossible to know whether the impacts of a development will be adequately mitigated, and therefore whether it is acceptable. Justifying a development in the face of local opposition will be considerably harder with no certainty about infrastructure provision or affordable housing.

Basing a system on development value will require a valuation to be prepared and considered for every development that would be liable to pay the levy, and may require being assessed by someone suitably qualified to do so. In some

cases, this may mean that disagreement on elements of the calculation simply takes place once the development is completed, when local authorities have fewer enforcement tools to ensure compliance. It will also have resourcing implications.

In addition, a high development value is not the same thing as a good level of viability. The levy may act as a disincentive to develop more complicated brownfield sites, such as those in our own area, which may have relatively high existing use values and particular costs such as remediation of contaminated land. In addition, rates would need to be set carefully to avoid creating an incentive to develop at a value just below the threshold for paying the levy.

The proposal for a threshold based on total development value is a particular concern, as it suggests that small developments will be exempt. In our area, small developments often have very good levels of viability, and are able to make extremely valuable contributions to affordable housing and infrastructure. In addition, evidence which RBC used in its Local Plan examination demonstrates that small sites continue to deliver well during economic downturns when compared to larger sites, and this ensures that contributions continue to be made during times when people have particular need of affordable housing in particular.

For the above reasons, if it is to be tied to values, a levy based on a proportion of the difference between gross development value and land value would be more likely to achieve the aims of the White Paper, although this will carry its own difficulties of assessing viability and detailed discussion over assumptions and methodology.

A new system based entirely on a levy would also fail to deal with non-financial obligations that are currently part of a Section 106 agreement. Whilst on-site affordable housing and transport and highway works would presumably be viewed as in-kind developments (although valuing these works for levy purposes presents an issue in itself), a levy would not address requirements to produce local employment and skills plans or travel plans, or would deal with other provisions such as occupancy restrictions on serviced apartments or granny annexes. Some alternative means of addressing these issues would need to be developed.

***Q22(b). Should the Infrastructure Levy rates be set nationally at a single rate, set nationally at an area-specific rate, or set locally? [Nationally at a single rate / Nationally at an area-specific rate / Locally]***

Locally.

Given the vast differences between values in different parts of the country, a flat national CIL rate would lead to extreme reductions in the amount of money available for infrastructure provision in more buoyant parts of the country such as ours where infrastructure is already under strain. Far from maximising revenue nationally, it would have the opposite effect. If rates are to be set nationally, they should at the very least be area-specific to reflect these substantial differences in value. However, it is far better that rates be set at a local level to enable differences in viability between areas, and indeed within an authority's own area, to be addressed.

There is no clear rationale for national government to take over the setting of CIL rates. The CIL charging schedule process has been substantially slimmed down, with examinations often taking place by written representations, and is relatively straightforward. The White Paper does not say what the advantages are of taking the setting of rates out of local authority hands, and it therefore simply seems to be part of the centralisation of planning powers that is a running theme in these proposals.

**Q22(c). Should the Infrastructure Levy aim to capture the same amount of value overall, or more value, to support greater investment in infrastructure, affordable housing and local communities? [Same amount overall / More value / Less value / Not sure. Please provide supporting statement.]**

More value.

The current levy is rarely sufficient to address all of the infrastructure effects of development as it is, and when combined with those developments that are exempt from CIL or the provision of affordable housing, there is clearly a need to maximise the funding available.

**Q22(d). Should we allow local authorities to borrow against the Infrastructure Levy, to support infrastructure delivery in their area? [Yes / No / Not sure. Please provide supporting statement.]**

Not sure.

Greater flexibility for local authorities in financial tools to help to deliver infrastructure is generally welcome.

However, in practice, it is likely to be very difficult to take advantage of this where the actual amount to be paid for infrastructure (if anything), and the timing of that payment, is not yet known. Basing the levy on a calculation performed only on completion is not likely to generate the certainty necessary to allow for such borrowing.

**Q23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights? [Yes / No / Not sure. Please provide supporting statement.]**

Yes.

Any reformed Infrastructure Levy should capture all developments which create a need for infrastructure or where affordable housing will be needed to create a mixed and balanced community. Developments under permitted development rights should not be exempt from this, particularly if the government proposes to continue to extend those rights.

Permitted development rights are not exempt from CIL at the moment (albeit a Notice of Chargeable Development is needed), so it is assumed that the proposal would be to ensure that permitted development contributes to affordable housing. This would be a welcome change. We have estimated that, between

2013 and March 2020, Reading lost out on 570 affordable housing units plus financial contributions to affordable housing of over £3 million, which could have been secured on office to residential conversions had they been received as planning applications. These permitted development rights have been a considerable blow to our efforts to meet the very substantial need for affordable homes in our area.

However, to be clear, our strong belief is not that a Levy including affordable housing is charged on permitted development schemes, but rather that these permitted development rights are removed and the infrastructure needs are considered by the planning application route, along with all of the other many effects of such developments.

***Q24(a). Do you agree that we should aim to secure at least the same amount of affordable housing under the Infrastructure Levy, and as much on-site affordable provision, as at present? [Yes / No / Not sure. Please provide supporting statement.]***

Yes.

It should go without saying that the aim should be to secure more affordable housing wherever possible.

***Q24(b). Should affordable housing be secured as in-kind payment towards the Infrastructure Levy, or as a 'right to purchase' at discounted rates for local authorities? [Yes / No / Not sure. Please provide supporting statement.]***

In-kind payment wherever possible. However, we have concerns about how this would work in practice.

Once the levy is paid and, potentially, the site sold, it is difficult to see what enforcement mechanisms there would be to ensure that the affordable housing remains affordable in perpetuity without a legal agreement of some format. And, without such an owner, if the housing does cease being affordable, and the current owner is not the individual/company that was responsible for compliance with the levy, it may not be clear who is legally responsible without the legal agreement.

In terms of whether in-kind affordable is preferable to a 'right to purchase', the onus should be on the developer to provide the units on-site wherever possible, and pass those units to a registered provider where necessary. This will help to achieve mixed and balanced communities, which is the purpose of affordable housing delivery, without creating an additional workload and financial risk for local authorities in purchasing all of the discounted affordable housing units.

***Q24(c). If an in-kind delivery approach is taken, should we mitigate against local authority overpayment risk? [Yes / No / Not sure. Please provide supporting statement.]***

Yes.



It is clearly in the local community's interest that the risk of overpaying is reduced.

***Q24(d). If an in-kind delivery approach is taken, are there additional steps that would need to be taken to support affordable housing quality? [Yes / No / Not sure. Please provide supporting statement.]***

Yes.

Removal of the Section 106 agreement and therefore any oversight of affordable housing quality (as distinct from the housing quality generally) through the planning application process would lead to a need for other measures to ensure that the affordable housing provided reflects the overall quality of the development. It would also remove the mechanism by which occupancy and management of affordable housing that is not provided by a registered provider, i.e. affordable private rent, is overseen, as this currently requires substantial detail to be set out in the Section 106.

At this point, it is difficult to be specific about what additional steps are required, as there is no detail about how provision of in-kind affordable housing as part of the levy would work in practice.

***Q25. Should local authorities have fewer restrictions over how they spend the Infrastructure Levy? [Yes / No / Not sure. Please provide supporting statement.]***

Yes.

If a new Infrastructure Levy replaces Section 106 as well as CIL, there will need to be greater flexibility in any case to cover matters not traditionally regarded as 'infrastructure'. This includes affordable housing and funding of local employment and skills initiatives.

However, RBC would have concerns about the suggestion in the White Paper of allowing authorities to use Infrastructure Levy funding to fund normal Council services or reduce council tax. This could lead to development taking place and not being supported by sufficient infrastructure. As the government will be aware, the timely provision of infrastructure is one of the main reasons local communities object to development, and this could lead to that infrastructure not being delivered at all. If one authority decided that its priority was to use the new CIL to reduce council tax, this could mean that development relies places an unacceptable burden on infrastructure provided in an adjacent authority.

***Q25(a). If yes, should an affordable housing 'ring-fence' be developed? [Yes / No / Not sure. Please provide supporting statement.]***

Not sure.

Authorities which face affordable housing needs should be expected to use the Levy to meet those needs. However, the extent of affordable housing needs differ significantly from authority to authority, and it is not clear that a single defined ring-fence could work across the country.

***Q26. Do you have any views on the potential impact of the proposals raised in this consultation on people with protected characteristics as defined in section 149 of the Equality Act 2010?***

These are extremely wide-ranging proposals, and as such their effects on groups with protected characteristics could potentially be significant, and may only become more apparent when further detail emerges.

A move towards much greater reliance on engagement using digital technology will favour younger age groups. It is recognised that these groups tend to be underrepresented in planning consultations at the moment, but that does not mean that changes should be made that exclude many older people. Proposals will have to be carefully developed to avoid that effect.

The proposal to set development management policies at national level could have effects on people with disabilities. Local plans such as ours contain expectations for the accessibility and adaptability of new housing, based on local evidence of likely need. National development management policies may well result in less accessible and adaptable housing being provided.

## APPENDIX 2: PROPOSED READING BOROUGH COUNCIL RESPONSE TO CONSULTATION ON CHANGES TO THE CURRENT PLANNING SYSTEM

### Standard methodology for calculating housing need

***Q1: Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is whichever is the higher of the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?***

No.

There are three major reasons for this, as set out below.

- A standard annual growth in dwellings is a crude measure which has no relation to need. If there are sufficient homes in an area to accommodate needs, to build more will only negatively affect the natural environment of those areas for no reason and with no likelihood of take-up of dwellings.
- The effect of a 0.5% annual increase in a baseline will be to reinforce existing patterns of urban areas, as stated in paragraph 25 of the consultation. However, the standard methodology is intended to be a reflection of need, not a choice about distribution. Consideration of distribution of need should be taking place at local plan-making stage, and if necessary through the duty to co-operate.
- Using existing stock as part of the calculation creates a self-perpetuating cycle. Delivering significant levels of new housing, in line with the government's aspirations, would only serve to inflate the need in the standard methodology in the future, and would not take account of whether that delivery has in fact served to reduce the level of need.

***Q2: In the stock element of the baseline, do you agree that 0.5% of existing stock for the standard method is appropriate? If not, please explain why.***

No. Please see the answer to question 1.

***Q3: Do you agree that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method's baseline is appropriate? If not, please explain why.***

When the methodology was first proposed, RBC's response highlighted that in some areas, the greatest pressure is in terms of lower-quartile earnings to house prices rather than median. This was evidenced for our area in the 2016 Berkshire Strategic Housing Market Assessment. This highlights the issues in the area, in that it is generally affluent, but there are pockets of high levels of deprivation, in Reading in particular, and the high purchase and rental prices within the area place market housing out of reach of a significant number of people as a result. RBC continues to consider that there is a case for including an adjustment for lower-quartile affordability alongside median affordability.

***Q4: Do you agree that incorporating an adjustment for the change of affordability over 10 years is a positive way to look at whether affordability has improved? If not, please explain why.***

RBC is not opposed to the idea of including an adjustment for change in affordability over 10 years, and considers that this is a reasonable indicator of market signals of a need for housing. However, we are concerned that the way it has been applied in the proposed formula, in which it is simply added to the adjustment for current affordability, gives it a disproportionately significant role.

To demonstrate this, we can examine the application of the formula to the 2019 affordability ratio for Reading, which is 9.06. The corresponding ratio from 2009 is 6.37.

The calculation would be as follows:

$$[((9.06 - 4)/4) \times 0.25] + [(9.06 - 6.37) \times 0.25] + 1$$

Simplified, this is:

$$0.316 [\text{current affordability}] + 0.673 [\text{change in affordability}] + 1 = \mathbf{1.989}$$

In our case, the formula therefore places more than twice as much weight on past changes in affordability as current affordability. This will mean that the housing need of one authority may be very significantly higher than another authority even where affordability is currently the same. Whilst this affordability trend may continue into the future, it is also possible that it is the result of some factor (such as significant infrastructure delivery) which is a one-off and will not continue to affect affordability into the future.

Therefore, RBC believes that, if an adjustment for recent affordability changes is to be made, it is better made as an adjustment to the overall affordability ratio rather than added to it. If the government still considers that it is necessary to give affordability greater weight within the calculation, this can be achieved in a more equitable manner by simply applying a greater mathematical weighting to the affordability adjustment, perhaps by using an alternative multiplier to 0.25.

***Q5: Do you agree that affordability is given an appropriate weighting within the standard method? If not, please explain why.***

This is a difficult question to answer, as so much depends on what the current figures are at the time that the calculation is undertaken. Using current calculations, the figure that it generates for Reading at least appears about right, and corresponds closely to our own locally-assessed need which pre-dated the standard methodology.

The difficulty comes in particular with changes to the household projections. The more significant affordability multiplier created (in most cases) by adding in past affordability changes magnifies any changes in the household projections. These projections are much more volatile at local authority level than they are for England as a whole: whilst the growth in households over the 2020 to 2030 period in the 2018-based projections is only 3% lower for England than the 2016-based projections, the growth for the South East is 18% lower, whilst the growth for Reading is 66% lower. At the same time, the growth for neighbouring

Wokingham is 40% higher. The difference from the 2014-based projections is even greater in most cases.

This volatility, magnified by an increased affordability multiplier, means that housing need levels may fluctuate wildly depending on when a plan is being prepared, and often during plan preparation. Plan preparation often becomes an art of waiting until the most favourable household projections are available. One way of addressing this could be using smoothed averages of the last two (or three) sets of projections. Another way could be basing the calculation on less volatile affordability calculations to begin with, and using the household projections as a sense-check and only increasing need if the projections indicate that it is required. RBC does not necessarily endorse these options, but they may be worth investigating to allow for a more consistent and predictable outcome. The government has made clear that it wants more certainty in the planning system, but housing need calculations are currently a source of considerable uncertainty.

***Do you agree that authorities should be planning having regard to their revised standard method need figure, from the publication date of the revised guidance, with the exception of:***

***Q6: Authorities which are already at the second stage of the strategic plan consultation process (Regulation 19), which should be given 6 months to submit their plan to the Planning Inspectorate for examination?***

***Q7: Authorities close to publishing their second stage consultation (Regulation 19), which should be given 3 months from the publication date of the revised guidance to publish their Regulation 19 plan, and a further 6 months to submit their plan to the Planning Inspectorate?***

***If not, please explain why. Are there particular circumstances which need to be catered for?***

RBC does not have a particular view on this matter, other than the phrase 'close to publishing' will have to be defined much more clearly in order to avoid uncertainty and debate at examination.

### **First Homes**

***Q8: The Government is proposing policy compliant planning applications will deliver a minimum of 25% of onsite affordable housing as First Homes, and a minimum of 25% of offsite contributions towards First Homes where appropriate. Which do you think is the most appropriate option for the remaining 75% of affordable housing secured through developer contributions? Please provide reasons and / or evidence for your views (if possible):***

- i) Prioritising the replacement of affordable home ownership tenures, and delivering rental tenures in the ratio set out in the local plan policy.***
- ii) Negotiation between a local authority and developer.***
- iii) Other (please specify)***

RBC believes that, if a minimum of 25% of affordable housing is to be delivered as First Homes, the priority should be option i), to replace other affordable

home ownership tenures. This would generally mean shared ownership. The affordable housing products which most clearly address affordable housing needs in our area are rental products, at a rate wherever possible and viable well below 80% of market rates. RBC would be extremely concerned if First Homes were to be introduced in a way that reduced its ability to secure rented accommodation, as that would considerably reduce our ability to respond to the most significant needs.

It is somewhat surprising that option ii) would be even considered. If local plan policies are already in place, with tenure requirements that respond to local needs, it would be supremely unhelpful if national policy were to contradict these requirements with an expectation that the remaining 75% is simply negotiated on a case by case basis. Negotiation needs to take place within some form of context, as usually provided by national policy, and in any case this does not seem to fit within the spirit of introducing greater certainty into the system.

Additionally, it is worth noting that none of these consultation questions ask whether a change to require a minimum 25% First Homes should be made at all, which is a curious omission. RBC's strong view is that it should be for local authorities to set out the affordable housing tenure expectations that best meet the needs in their local areas. It is at local level that assessments of needs have been carried out, which should inform these expectations.

RBC is particularly concerned with the proposal that national policy specify that 25% of off-site financial contributions should be spent on First Homes. This goes further than existing policy on affordable home ownership, which contains no such explicit requirement. The best use of financial contributions in our area is usually for delivery of new local authority housing, as this delivers a greater number of homes at rental levels that are affordable to those in need. Provision of new local authority homes not only meets needs in terms of affordability, but it can be a key driver of overall housing delivery.

***With regards to current exemptions from delivery of affordable home ownership products:***

***Q9: Should the existing exemptions from the requirement for affordable home ownership products (e.g. for build to rent) also apply to apply to this First Homes requirement?***

The existing exemptions set out in paragraph 64 of the NPPF should continue to apply to the First Homes requirement. The reasoning for the exemptions to the affordable ownership requirement existing apply equally to First Homes. For instance, the reasons why the exemption for build to rent exist apply equally to First Homes, in that homes for sale cannot practically be delivered as part of a build to rent scheme. The exemptions retained should not only be those specifically set out in criteria a) to d) of paragraph 64, but also the more general wording, including where a the minimum proportion of affordable home ownership would "significantly prejudice the ability to meet the identified affordable housing needs of specific groups", which represents a valuable flexibility where there are particular local circumstances.

**Q10: Are any existing exemptions not required? If not, please set out which exemptions and why.**

No. Please see the answer to Q9.

**Q11: Are any other exemptions needed? If so, please provide reasons and/or evidence for your views.**

No additional exemptions are required, as long as the wording “unless this would ... significantly prejudice the ability to meet the identified affordable housing needs of specific groups” (paragraph 64) is retained. Loss of this wording would unacceptably limit local flexibility, and may result in the need for further exemptions to be established.

**Q12: Do you agree with the proposed approach to transitional arrangements set out above?**

Yes.

**Q13: Do you agree with the proposed approach to different levels of discount?**

RBC welcomes the scope to apply higher levels of discount based on evidence at plan-making stage. We would want this opportunity to be extended to those authorities where local plans have already been adopted before the introduction of First Homes, with tenure to be specified in a SPD, as this will enable First Homes to be introduced in a manner which matches the particular affordable housing needs of those authorities. We would also ask why it is necessary to specify that an alternative can only be 40% or 50% - if, for example, a 45% discount responds best to the needs of the area and can be suitably evidenced, there seems no reason for this to be prevented.

**Q14: Do you agree with the approach of allowing a small proportion of market housing on First Homes exception sites, in order to ensure site viability?**

RBC considers that it should be for the applicant to demonstrate why this is necessary on a case-by-case basis, and based on viability considerations only.

**Q15: Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?**

No. No limits on site size could allow for substantial developments to come forward without any reference to most local plan policy, since exception sites are only required to reference policy in the NPPF or local design policies. This could significantly undermine local plan-making and a plan-led approach to development.

**Q16: Do you agree that the First Homes exception sites policy should not apply in designated rural areas?**

RBC does not wish to comment on this matter.

## Affordable housing threshold

*For each of these questions, please provide reasons and / or evidence for your views (if possible):*

**Q17: Do you agree with the proposed approach to raise the small sites threshold for a time-limited period?  
(see question 18 for comments on level of threshold)**

No.

RBC does not agree that national policy should prevent local authorities from seeking contributions to affordable housing for any size of site if it can be justified by evidence. The government will be aware of RBC's strong feelings on this matter, having challenged the previous Written Ministerial Statement in the courts, and having recently demonstrated that there are strong reasons for seeking affordable housing from all sizes of site in areas with considerable affordability pressures to the satisfaction of a planning inspector during the examination of our now-adopted local plan, as well as in more than 30 planning appeals.

There remains an overwhelming need for affordable housing in many areas. This need has been calculated at 406 homes per annum in Reading (Berkshire Strategic Housing Market Assessment), which equates to some 58% of our overall housing need. This need will only become more acute as the effects of the coronavirus pandemic make themselves felt and manifest themselves in job losses and economic hardship. Securing affordable housing is already being made substantially more difficult by the continued expansion of permitted development rights that do not allow for affordable housing to be secured. In that context, a 7-20% reduction in affordable housing as estimated in paragraph 77 (and which in any case presumably does not take account of new permitted development rights) is not acceptable. Raising the threshold for provision of affordable housing may in the short-term provide a financial boost to some developers, but it would prioritise those development interests over the needs of the many who require affordable housing.

In any case, local policies generally allow for viability to be considered at the planning application stage in exceptional circumstances. The economic conditions brought about by the coronavirus pandemic could certainly represent exceptional circumstances. These economic conditions are already feeding into the information that will be used as the basis for viability testing. Therefore, if it is not viable to provide a policy-compliant level of affordable housing due to the current circumstances, the planning system already allows this to be considered. Furthermore, by the time developments come to be built, the economy may well have recovered in any case, but a blanket threshold approach prevents mechanisms being built into Section 106 agreements to secure contributions where viability improves.

In short, this represents a blanket approach to an issue that can be considered on a case-by-case basis, and would unnecessarily reduce affordable housing provision at a time where many more people are likely to need it.

**Q18: What is the appropriate level of small sites threshold?**



*i) Up to 40 homes ii) Up to 50 homes iii) Other (please specify)*

iii). National policy should not specify a threshold for contributions to affordable housing. Please see the answer to Q17.

***Q19: Do you agree with the proposed approach to the site size threshold?***

As set out in the answer to Q18, RBC does not agree that national policy should set a threshold.

If a site size threshold is to be introduced alongside a threshold of number of dwellings, it should be made clear that it only applies where the dwelling number threshold is not already exceeded. It is not clear from the consultation document that this would be the case, but this is the way that the current 'major' development threshold is applied. An increase to 2 or 2.5 hectares (as suggested in the consultation) could, in the case of a dense urban authority such as Reading, equate to several hundred homes.

***Q20: Do you agree with linking the time-limited period to economic recovery and raising the threshold for an initial period of 18 months?***

For clarity, RBC does not agree with the introduction of the threshold in the first place, for any period. However, if it is to be introduced for a time limited period of 18 months, it should come with a clear presumption that the threshold will expire automatically after 18 months unless there are clear recovery-related reasons for extending it. Such an extension should be subject to further consultation and clearly based on relevant evidence. Ideally, the criteria for considering whether it should be extended should be available at the point that the initial threshold is introduced. There is certainly a perception that changes to the planning system are not always based on relevant evidence, as the recent expansion of permitted development rights on the same day as publication of a report highlighting the poor accommodation created by such rights demonstrates. It would therefore be very welcome if changes to the system could be linked more effectively to the evidence justifying those changes - as is expected of local authorities in plan-making.

***Q21: Do you agree with the proposed approach to minimising threshold effects?***

It is agreed that, where a threshold exists, there should be measures to minimise the effects of this threshold by preventing sites from being artificially divided. The consultation does not specify what this proposed approach to minimising effects is, and it is not therefore possible to state whether or not we agree.

In our experience, the most frequent effect of an affordable housing threshold is not the subdivision of sites but the artificial lowering of the number of dwellings on a site. For many years, while national policy set a threshold of 15 dwellings, an entirely disproportionate number of sites in Reading were proposed for 14 dwellings. A threshold therefore had the effect of reducing overall housing delivery. RBC does not agree that national policy should set a

threshold (as set out in our answer to Q17), but if it exists, this effect should be addressed.

***Q22: Do you agree with the Government's proposed approach to setting thresholds in rural areas?***

RBC does not wish to comment on this matter.

***Q23: Are there any other ways in which the Government can support SME builders to deliver new homes during the economic recovery period?***

The Government has many means at its disposal to support specific sectors and groups of businesses, and use of the planning system to do so is an extremely blunt tool given that it is based on the merits of the proposal not the identity of the applicant. The planning system should not be the only, or the main, means to support SME builders.

### **Permission in principle**

***Q24: Do you agree that the new Permission in Principle should remove the restriction on major development?***

No.

Permission in Principle (PiP) is in an unusual place, in that it rarely offers any clear advantages over a more traditional route, such as outline and reserved matters, or pre-application followed by a full application. In our case, where much of our development takes place on often complex, brownfield sites, it is rarely possible to divorce consideration of the principle of land use and amount of development from detailed consideration of some of the key issues, which will include contamination, flood risk, biodiversity, transport impacts, character and heritage. This will increasingly be the case if it is to be expanded to cover major development. Those sites where development is clearly acceptable in principle are usually already local plan allocations, and these allocations at least offer the opportunity to caveat the principle of development with some of the main considerations to overcome, unlike PiP. A grant of PiP does not, in practice, appear to confer much more certainty on a development than a plan allocation.

Removal of the restriction on major development would not be of particular assistance, because in practice the information required to be submitted alongside a PiP application is rarely sufficient to actually establish the principle of a development, unless a site is allocated, in which case PiP adds very little value. In order to secure PiP on a site with a minimum of information, an applicant may in fact have to reduce the development capacity of the site, because, for some sites, a higher level of development can only be justified with much more substantial evidence by a different application route.

***Q25: Should the new Permission in Principle for major development set any limit on the amount of commercial development (providing housing still occupies the majority of the floorspace of the overall scheme)? Please provide any comments in support of your views.***

If PiP is to be extended to major development, the differences in scale between an 11-dwelling development and 149-dwelling development mean that any limit on the amount of accompanying commercial development should not be a defined floorspace (as for minor developments) but should instead be a proportion of the total development.

In our experience, if more than around 25% of floorspace on a development is commercial, it moves away from being a residential-led development towards a more mixed scheme which is more likely to have impacts beyond the site boundary and which require testing through, for example, retail impact assessments at application stage.

For clarity, however, RBC does not agree that PiP should be extended to any major developments, however much commercial floorspace is included.

***Q26: Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?***

The quality of a decision is only as good as the quality of the information on which that decision is based. The very limited information submitted at PiP stage will very rarely be sufficient to establish the principle of the location, land use and amount of development. However, if the amount of information to be submitted were to be extended, the 5-week timescale would not be sufficient to assess it, particularly for major development. This therefore underlines why it does not make sense to extend PiP to major developments.

***Q27: Should there be an additional height parameter for Permission in Principle? Please provide comments in support of your views.***

The issue of height illustrates the difficulties with the entire PiP process that we have already referred to. Height is often a key factor in the consideration of the principle of development in our area, because, in a dense urban area, height is one of the main determinants of the amount of development. Sensitivities of height in an urban area such as ours include the historic environments, daylight, climate and impacts on townscape and landscape. For many sites, the principle of the development cannot be divorced from consideration of height. Therefore, on the face of it, height should indeed be considered at PiP stage rather than Technical Details.

However, if height is to be included at a PiP stage for which the five-week timescale is unchanged, this causes an issue in that it is unlikely to be practicable to deal with height in this timescale. This is because acceptable height is likely to depend on daylight and sunlight assessments and potentially wind effects, as well as on assessment of impacts on any nearby heritage assets and local townscape, and will also be subject to considerable representations during public consultation which would expect to be informed by those assessments. Without these assessments at PiP stage, it is unlikely to be possible to determine that a certain height is acceptable in principle.

RBC therefore considers that the issue of height demonstrates why PiP should not be extended to major developments.

**Q28: Do you agree that publicity arrangements for Permission in Principle by application should be extended for large developments? If so, should local planning authorities be:**

**i) required to publish a notice in a local newspaper?**

**ii) subject to a general requirement to publicise the application or**

**iii) both?**

**iv) disagree**

***If you disagree, please state your reasons.***

We agree with ii). Newspaper notices are expensive and in our experience rarely represent value for money as a Public Notice in a newspaper is rarely the way the public expect to receive notification of a forthcoming development. However, otherwise, the consultation requirements for a major PiP application should mirror the consultation requirements for a major planning application.

**Q29: Do you agree with our proposal for a banded fee structure based on a flat fee per hectare, with a maximum fee cap?**

Whilst this approach would reflect the outline application fee arrangements, it is not ideal. A flat fee based on hectare is highly unlikely to reflect the complexity of consideration of a proposal in an urban area such as Reading, where development will often be at a high density, and where the considerations of proposals are likely to be significantly more complex than in a rural location with a similar hectare. A flat fee may well fall significantly short of covering the costs of assessing the application.

**Q30: What level of flat fee do you consider appropriate, and why?**

Current PiP fees are slightly below the equivalent outline planning application fee for a similarly sized site. A similar approach to major applications may be most appropriate if PiP is to be expanded. The fee should avoid creating a significant incentive for using a PiP route rather than outline where an outline application may well be the most appropriate route. It is worth noting that applicants are already abusing the outline system by submitting the vast majority of information at the outline application stage where the fee is substantially lower.

**Q31: Do you agree that any brownfield site that is granted Permission in Principle through the application process should be included in Part 2 of the Brownfield Land Register? If you disagree, please state why.**

This would seem to be a logical change to make.

**Q32: What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders.**

What is lacking in making decisions on PiP is not so much national guidance, but the necessary information at application stage to justify the use and amount of development. National guidance will not resolve this issue, unless it expands

upon the minimum requirements for submission, for instance, at least desk-based analysis of the relevant issues, in which case timescales for consideration would need to be extended.

***Q33: What costs and benefits do you envisage the proposed scheme would cause? Where you have identified drawbacks, how might these be overcome?***

This depends to a large extent on the level of information requirements, the timescales for determination and the application fee, all of which are matters that are not yet determined. Without significantly greater information requirements for major PiP applications, it will often simply not be possible to agree to the principle of development - however, a five-week timescale would not be sufficient to assess those information requirements, and the application fee would also need to reflect the costs of assessing this information. Ultimately, PiP does not fit comfortably within the current planning system and represents an unnecessary duplication of processes in most cases.

***Q34: To what extent do you consider landowners and developers are likely to use the proposed measure? Please provide evidence where possible.***

In our experience so far in Reading, Permission in Principle has rarely been used as an application route. Although the novelty of PiP may play a role in this, in our view this reflects the degree to which the purpose of PiP when compared to other application routes is not clear. It is still not clear what gap PiP is intended to fill. An approach with considerable upfront pre-application discussion followed by a planning application works well in Reading, and delivers well against development needs whilst minimising risk for applicants at the earliest stage. Therefore, it would not in our view provide any particular advantage to expand PiP to major developments.

If PiP were set at a significantly lower fee than an outline application, it is possible that more applicants might choose that route. However, given the minimal information required, it is unlikely that it will often be possible to grant PiP in most cases, which will only serve to place more costs on the applicant and lead to further delays.

***Q35: In light of the proposals set out in this consultation, are there any direct or indirect impacts in terms of eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations on people who share characteristics protected under the Public Sector Equality Duty?***

***If so, please specify the proposal and explain the impact. If there is an impact - are there any actions which the department could take to mitigate that impact?***

RBC does not wish to comment on this matter.

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## READING BOROUGH COUNCIL

### REPORT BY EXECUTIVE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

<b>TO:</b>	<b>POLICY COMMITTEE</b>		
<b>DATE:</b>	<b>28 SEPTEMBER 2020</b>		
<b>TITLE:</b>	<b>DRAFT AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT</b>		
<b>LEAD COUNCILLOR:</b>	<b>COUNCILLOR PAGE</b>	<b>PORTFOLIO:</b>	<b>STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT</b>
	<b>COUNCILLOR ENNIS</b>		<b>HOUSING</b>
<b>SERVICE:</b>	<b>PLANNING</b>	<b>WARDS:</b>	<b>BOROUGHWIDE</b>
<b>LEAD OFFICER:</b>	<b>MARK WORRINGHAM</b>	<b>TEL:</b>	<b>0118 9373337</b>
<b>JOB TITLE:</b>	<b>PLANNING POLICY TEAM LEADER</b>	<b>E-MAIL:</b>	<b><u><a href="mailto:mark.worringham@reading.gov.uk">mark.worringham@reading.gov.uk</a></u></b>

#### 1. EXECUTIVE SUMMARY

- 1.1 The Council has adopted a new single local plan to set out how Reading will develop up to 2036. In order to provide additional guidance on elements of the new Local Plan, a new Affordable Housing Supplementary Planning Document (SPD) is needed, which will replace the existing Affordable Housing SPD adopted by the Council in July 2013. Once adopted, the new SPD will be a material consideration in the determination of planning applications.
- 1.2 This report seeks Committee’s approval to undertake community involvement on a Draft Affordable Housing SPD (Appendix 1). Community involvement will then be undertaken and will be considered in preparing a version for adoption.

#### 2. RECOMMENDED ACTION

- 2.1 That the Affordable Housing SPD (Appendix 1) be approved for consultation.
- 2.2 That the Deputy Director of Planning, Transport and Regulatory Services be authorised to make any minor amendments necessary to the SPD that do not alter the policy direction, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, prior to consultation.

### 3. POLICY CONTEXT

- 3.1 The Reading Borough Local Plan was adopted on 4<sup>th</sup> November 2019 and contains a comprehensive set of planning policies and proposed sites to manage development in Reading up to 2036. The Local Plan has ‘development plan’ status and is therefore the first consideration in determining planning applications in Reading.
- 3.2 Securing affordable housing is one of the key roles of the Local Plan. It contains two policies with particular relevance to affordable housing. Policy H3 (Affordable Housing) ensures that new residential development makes appropriate contribution to affordable housing, as set out below:
- on sites of 10 or more dwellings, 30% of the total dwellings will be in the form of affordable housing;
  - on sites of 5 - 9 dwellings, a financial contribution will be made that will enable the equivalent of 20% of the housing to be provided as affordable housing elsewhere in the Borough; and
  - on sites of 1 - 4 dwellings, a financial contribution will be made that will enable the equivalent of 10% of the housing to be provided as affordable housing elsewhere in the Borough.
- 3.3 The requirement in H3 for small sites (less than 10 dwellings) to contribute towards affordable housing was a particular consideration through the Local Plan process, as this is contrary to the National Planning Policy Framework (NPPF). This is a matter on which this Council and West Berkshire District Council challenged the government through the courts when the policy was initially introduced in a ministerial statement. Although that challenge was ultimately unsuccessful, it did establish that national policy does not override local policy where that policy is justified by local circumstances, and a number of appeals have since been decided in the Council’s favour. The Council were able to satisfy the Planning Inspector for the Local Plan examination that there were local circumstances which justified the divergence from national policy, and that small sites should therefore contribute to affordable housing.
- 3.4 Policy H3 identifies the priority affordable needs as being housing with two or more bedrooms that can house families. The policy also makes the following types of development exempt from the requirement to provide affordable housing:
- Replacement of a single dwelling with another single dwelling; and
  - Conversion of a dwelling to self-contained flats where there is no new floorspace.
- 3.5 Policy H4 (Build to Rent Schemes) deals specifically with the form of purpose-built residential development in single ownership for rental. Such developments should provide affordable housing in line with the percentages under policy H3, but, in line with national policy, there is allowance for a specific ‘affordable private rented’ tenure.
- 3.6 Whilst there is some level of detail within these policies, the policy text and supporting text recognise the need for an Affordable Housing Supplementary Planning Document (SPD) to provide further detail, particularly on matters such as the specific tenure sought and on implementation details. SPDs are documents which supplement higher



level policy in a development plan, but which cannot introduce new policy in themselves.

- 3.7 The Council is also producing a new Housing Strategy, also to be considered at this meeting. The SPD has been drawn up alongside production of the Housing Strategy, and the affordable housing secured by the SPD will be one part of the overarching response of that strategy.

#### 4. THE PROPOSAL

##### (a) Current Position

- 4.1 The Council has an existing Affordable Housing SPD, which was adopted in July 2013. This SPD supplemented policies in the Core Strategy and Sites and Detailed Policies Document, both of which have now been replaced by the new Local Plan. Whilst some of the headline requirements (including the proportions of affordable housing sought) remain the same as in the previous policies, there are some important changes which mean the need to replace the SPD, including the incorporation of the policy on build-to-rent development. The existing SPD also reflects requirements for employment development to contribute towards affordable housing, which do not appear in the Local Plan. In addition, Reading's most up-to-date needs in terms of tenure should be reflected in the new SPD, as, whilst there are some provisions on tenure within the Local Plan, these were only intended to be a stop-gap until a SPD could be prepared.

##### (b) Option Proposed

- 4.2 A draft Affordable Housing SPD to supplement policies H3 and H4 of the Local Plan has been prepared and is included as Appendix 1. It is proposed that this be subject to public consultation.

- 4.3 One of the main issues that the SPD addresses is the proportion of on-site affordable housing that would be in different affordable tenures on sites of 10 dwellings or more. It proposes that the following tenure split should be sought:

- 62% rented at 'Reading Affordable Rent'
- 38% intermediate/shared ownership

- 4.4 'Reading Affordable Rent' equates to a cap of 70% of market rents and is pitched at a level considered to be affordable to those in housing need in Reading. In the past, policies have sought social rent (at target rent level) or affordable rent (up to 80% of market rents), but it is considered that a more locally-specific approach is justified and would result in the most significant on-site contribution to secure genuinely affordable housing. This has been subject to viability testing, which found that the mix of tenures sought is viable in most scenarios.

- 4.5 Another key element of the document is its approach to build to rent proposals. This is an emerging form of development in Reading, and the content of the SPD has been informed by experience in dealing with the first handful of proposals to be permitted in Reading, as well as by national Planning Practice Guidance. One of the main points the SPD deals with is what happens if a build-to-rent development changes to another form of residential in the future. It proposes measures for inclusion in Section 106

agreements to ensure that the impact of such changes on affordable housing is addressed.

- 4.6 The SPD also deals with other important matters, such as how viability will be assessed where a development cannot meet the level of affordable housing required by policy, as well as mechanisms for clawing back contributions where viability considerations have led to lower (or no) contributions but viability conditions subsequently change.
- 4.7 If agreed, the document will be subject to a consultation, to begin in October. SPD consultations generally last for six weeks. The consultation will largely be based around making the document available for comment on the website. Public support for the general direction of the policies has already been established during consultations held during development of the new Local Plan.
- 4.8 Responses received will be considered in preparing a final draft SPD for adoption, which is intended for early in 2021.

(c) Other Options Considered

- 4.9 The main alternative options to consider are: firstly, to not proceed with a SPD at the current time; and, secondly, to base the SPD around different tenure expectations for on-site affordable housing.
- 4.10 Not to proceed with a SPD at this point would mean a lack of detailed policy on securing affordable housing, as the existing SPD is now out-of-date and requires replacement. This would mean uncertainty on some key policy matters such as the tenure split for on-site affordable housing, and the provisions for securing affordable housing from build-to-rent developments. This could mean that developments fail to maximise the contribution that they make to affordable housing.
- 4.11 There are a range of different tenure expectations that could be set out in the SPD. There is one set parameter, in that the NPPF states that at least 10% of major residential developments should be available for affordable home ownership products, which therefore equates to approximately 30% of the affordable portion of major developments. However, the rented proportion can be set at different levels, ranging from target rents at 50% of market rates to general affordable rents at 80%. A number of possible combinations have been subject to viability testing, either through the Local Plan or in specific work done for this SPD, which include two possible levels of Reading affordable rent (70% of market rents, as proposed in the SPD, and 65% of market rents). Broadly, the lower the cap on rents, the greater the proportion of shared ownership needed to make the development viable.
- 4.12 Therefore, the following options for tenure split (assuming an overall 30% on site contribution in line with policy) are considered to be broadly viable:

Rent cap (% market rent)	% rented	% shared ownership
80%/Local Housing Allowance	70	30
70% (Reading Affordable Rent Option 1)	62	38
65% (Reading Affordable Rent Option 2)	57	43

50% (Target Rent)	50	50
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- 4.13 Ultimately, this comes down to trying to strike a balance between achieving as much on-site affordable housing as possible and setting rents at a level which is genuinely affordable. The Reading Affordable Rent option with rents set at 70% of market rents is considered to be the option which strikes that balance best.

## 5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 Adoption of the SPD will secure on-site and off-site contributions towards affordable housing, and therefore will play a major part in achieving the Council's priorities as set out in the Corporate Plan (2018-2021)<sup>1</sup> through 'Ensuring access to decent housing to meet local needs', including the specific targets for provision of new affordable homes.

## 6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 6.1 The Sustainability Appraisal of the Pre-Submission Draft Local Plan examined the effects of the Local Plan, including the policies on affordable housing, against a range of environmental objectives. No significant detrimental effects on these environmental objectives were identified. New affordable housing provided as a result of the Local Plan and SPD would need to accord with the high environmental standards set in the sustainable design and construction policies of the Local Plan, as supplemented by the Sustainable Design and Construction SPD, adopted in December 2019.

## 7. COMMUNITY ENGAGEMENT AND INFORMATION

- 7.1 The Council's consultation process for planning policy, as set out in the Statement of Community Involvement (adopted March 2014), is that the widest and most intensive community involvement should take place at the earliest possible stage, to allow the community a genuine chance to influence the document. Therefore, significant and wide-ranging community involvement exercises took place during development of the new Local Plan. This established support for the policies and the draft SPD simply outlines details for implementation.
- 7.2 Consultation is expected to last a period of six weeks as described in paragraph 4.7 above. The consultation will involve contacting all individuals and groups on our consultation lists, as well as publication on the website.

## 8. EQUALITY ASSESSMENT

- 8.1 The Sustainability Appraisal of the Pre-Submission Draft Local Plan incorporated the requirement to carry out a screening stage of an Equality Impact Assessment. A full Sustainability Appraisal that examines the effects of each sustainable design and construction policy has already been completed as part of the Local Plan, and therefore additional Equality Impact Assessment is not required. It is not expected that there will be any

<sup>1</sup> [http://www.reading.gov.uk/media/4621/Shaping-Readings-Future---Our-Corporate-Plan-2018-21/pdf/FINALCorporate\\_Plan\\_2018\\_21webpub.pdf](http://www.reading.gov.uk/media/4621/Shaping-Readings-Future---Our-Corporate-Plan-2018-21/pdf/FINALCorporate_Plan_2018_21webpub.pdf)

significant adverse impacts on specific groups due to any of the protected characteristics.

## **9. LEGAL IMPLICATIONS**

- 9.1 Regulation 12 and 13 of the Town and Country Planning (Local Planning) (England) Regulations 2012 set out the requirements for undertaking consultation on Supplementary Planning Documents, which must last for a period of at least six weeks. Once the SPD is adopted by the Council, it will hold weight in the determination of planning applications for any development in the Borough.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The SPD has been paid for in previous financial years by Planning Services.
- 10.2 Consultation exercises can be resource intensive. However, the Council's consultation process is based mainly on electronic communication, which helps to minimise resource costs.
- 10.3 The implementation of the Affordable Housing SPD, in combination with the Local Plan, will result in developments for developments of less than ten dwellings making financial contributions towards the provision of off-site affordable housing. In some cases, larger developments will also make financial contributions in addition to, or instead of, an on-site contribution. In recent years, these funds have contributed towards the Local Authority New Build programme, although the funds could also contribute towards delivery by other registered providers.

### Value for Money (VFM)

- 10.4 The preparation of a new SPD will ensure that development complies with the Council's policy on affordable housing. Production of the SPD, in line with legislation, national policy and best practice, therefore represents good value for money.

### Risk Assessment

- 10.5 There are no direct financial risks associated with the report.

## **BACKGROUND PAPERS**

- Planning and Compulsory Purchase Act 2004
- Localism Act 2011
- The Town and Country Planning (Local Planning) (England) Regulations 2012
- National Planning Policy Framework
- Reading Borough Council Local Plan (adopted November 2019)

**APPENDIX 1: DRAFT AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT**

**READING BOROUGH COUNCIL**

**AFFORDABLE HOUSING  
SUPPLEMENTARY PLANNING DOCUMENT**

**DRAFT FOR CONSULTATION  
OCTOBER 2020**

*Supplements Policies H3 and H4 of the  
Reading Borough Local Plan (adopted November 2019)*

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## 1. Introduction

- 1.1 One of the biggest issues that Reading faces is ensuring that there is sufficient access to decent and affordable housing to meet needs. This presents a challenge across the country, but it is a particular difficulty in areas of economic success such as the Thames Valley, where house prices are high and there is significant demand for new homes. The Council's Corporate Plan 2018-21 sets 'improving access to decent housing to meet local needs' as one of its six priorities, and identifies a need for a new Housing Strategy to address the issue.
- 1.2 The housing crisis needs to be addressed using a wide range of tools across local and national government functions, but the key contribution that a local planning authority can make is to secure the provision of affordable homes as part of new development. Affordable housing has a specific definition in the National Planning Policy Framework (NPPF), but the key point is that it responds to a need that cannot be met by the market. The most recent assessment of the level of need for affordable housing in Reading found a need for 406 affordable homes each year from 2013 to 2036, which represents almost 60% of the total need for new homes (Berkshire (including South Bucks) Strategic Housing Market Assessment, 2016). To achieve even a reasonable proportion of this overwhelming need requires a substantial contribution from new development.

### *Purpose and applicability of this document*

- 1.3 The purpose of this Supplementary Planning Document (SPD) is to provide further information to supplement policies in the Reading Borough Local Plan (adopted November 2019) in achieving affordable housing. It replaces the previous Affordable Housing SPD, adopted in July 2013.
- 1.4 In line with adopted policies, this SPD applies to residential developments of one dwelling or more, with the exception of:
- Replacement of a single dwelling with another single dwelling; and
  - Conversion of a dwelling to self-contained flats where there is no new floorspace.
- 1.5 The policy relates to the total gross number of dwellings provided on the site. There is no allowance for the replacement of existing dwelling units on a site. However, the existing use value will form part of any consideration of viability of the development in the negotiation of affordable housing and other planning obligations. Existing dwellings retained as single dwelling units as part of any scheme will not count against the affordable housing requirement.
- 1.6 The policy will not be applied to student accommodation, residential care facilities (within the C2 use class) or proposals for serviced apartments, unless
- they are being developed on an allocated housing site or a site where residential development and affordable housing provision would have been anticipated; and
  - in the case of an apart-hotel, arrangements for accommodation allow tenancies of more than 3 months.

- 1.7 The policies will not also apply to changes of use between a single dwelling house and a house in multiple occupation, where unrelated residents live communally and share common facilities within the single residential property. It will apply to new-build houses in multiple occupation, as well as to emerging forms of accommodation such as co-living.
- 1.8 Affordable housing provided in line with this SPD includes housing for those on low incomes, those, such as defined key workers whose earnings are insufficient to enable them to afford market price housing, and households with special/supported housing needs such as those in need of NHS Care or other forms of community care. It will include the forms of housing for vulnerable people referred to in policy H6 where such housing is being provided as affordable accommodation.

***Consultation and next steps***

- 1.9 This version of the SPD is a draft for consultation, and we welcome your views. Please provide any comments by 5 pm on Friday 13<sup>th</sup> November 2020.
- 1.10 Comments should be made in writing, either by e-mail or post. Please e-mail responses to:

[planningpolicy@reading.gov.uk](mailto:planningpolicy@reading.gov.uk)

Or send responses by post to:

Planning Policy  
Reading Borough Council  
Civic Offices  
Bridge Street  
Reading  
RG1 2LU

- 1.11 Your comments will be taken into account in producing a final version of the SPD, which will be adopted for use in determining planning applications.



## 2. Policy background

### *National planning policy*

- 2.1 Affordable housing is defined in the National Planning Policy Framework (NPPF) as *“housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)”* (see NPPF Glossary).
- 2.2 The importance of providing affordable housing is emphasised in national policy. The NPPF, in paragraph 61, makes clear that the housing need for various groups, including those requiring affordable housing, should be assessed and reflected in planning policies. This includes the size, type and tenure of the housing required. According to paragraph 62, the need for affordable housing should be specified, and should be met on site unless:
- “a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and*
  - b) the agreed approach contributes to the objective of creating mixed and balanced communities.”*
- 2.3 Paragraph 63 of the NPPF contains some matters that were previously set introduced by a written ministerial statement. The paragraph states that affordable housing should not be sought for residential developments that are not major developments (i.e. less than ten dwellings), other than in designated rural areas. It also introduces a credit for vacant buildings, so that the contributions sought towards affordable housing are reduced by an amount proportionate to the floorspace of any vacant buildings to be re-used or redeveloped. However, local approaches to these matters apply in Reading, which are described below in paragraphs 2.10 to 2.12.
- 2.4 There is a requirement in paragraph 64 of the NPPF that, for major developments involving housing provision, 10% of the total housing should be for an affordable home ownership product, with certain caveats, and excluding proposals for entirely affordable developments and build to rent schemes. As policy H4 requires 30% on-site affordable housing on major developments, this means that national policy expects one third of the affordable element to be for affordable home ownership. More recently, in August 2020, the government consulted on a proposal that 25% of on-site affordable housing will be in the form of ‘First Homes’, which is expected to replace in part the affordable home ownership provision, although this policy is not yet in place.
- 2.5 The NPPF also deals with viability of policy expectations in paragraph 57. This states that:
- “Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.”*

- 2.6 The Local Plan policy requirements were subject to viability testing, which was undertaken in 2018<sup>1</sup>, which took into account the other costs of complying with policies in the plan, for example on energy efficiency and the Community Infrastructure Levy. Further viability testing has been undertaken on the tenure split for on-site contributions set out in this SPD. The policy requirements have been found to be viable, and therefore the default position is that there should not usually be a need for contributions at lower than the policy requires.
- 2.7 Paragraph 57 also makes clear that any viability assessments undertaken *“should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available”*.

### ***Local planning policy***

- 2.8 This SPD provides specific guidance on how affordable housing will be secured in Reading, but forms part of a wider planning policy framework, and should be read in conjunction with other relevant planning policy documents, particularly the Local Plan.
- 2.9 This document is a Supplementary Planning Document (SPD), meaning that it supplements and expands upon higher level planning policies. A SPD should therefore be linked to a ‘parent’ policy in a development plan. This SPD supplements policy H3 in the Reading Borough Local Plan, adopted on 4<sup>th</sup> November 2019. The policy, including supporting text, is included in full in Appendix 1. Policy H3 sets out under which circumstances affordable housing will be sought, and what form that contribution should take. The policy text makes clear that a SPD will be required. This was originally intended for 2019, but, for various reasons, not least the time taken to receive the Inspector’s Report on the Local Plan itself, this was delayed to 2020.
- 2.10 In relation to paragraph 63 of the NPPF referring to small sites, the stance taken by the Local Plan is that the need for affordable housing in Reading is so significant that there is a justification for seeking contributions to affordable housing from all sizes of residential development, from one dwelling upwards. This was found to be sound in the Inspector’s Report of September 2019, and therefore forms part of adopted policy H3. The only exceptions offered by policy H3 are for one-for-one replacement dwellings and for residential conversions from houses to flats.
- 2.11 The Council’s stance on seeking affordable housing from developments of less than ten dwellings has been strongly supported at appeal, both since the adoption of the Local Plan and before it, when similar policies applied. The requirement for an affordable housing contribution on a small housing site has been reflected in more than 30 appeal decisions at the time of publication of this SPD, dating back to 2016. It is clear that there are exceptional circumstances in terms of affordability and housing need in Reading that justify the local approach.

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<sup>1</sup> Affordable Housing: Reading Borough Council Viability Testing Report, BPS Chartered Surveyors, March 2018

- 2.12 In terms of the vacant building credit, also set out in NPPF paragraph 63, this does not form part of the adopted Local Plan policy. Planning Practice Guidance states that, in considering how the credit should apply to a particular development, local planning authorities should have regard to the intention of national policy. The purpose of the credit is to incentivise use of brownfield land. However, the vast majority of residential development in Reading already takes place on brownfield land. Between 2013 and 2020, 90% of new dwellings completed have been on previously developed land. There is no local need to incentivise the delivery of brownfield sites. As such, the vacant building credit should not generally be applied in Reading unless there is clear evidence that a long-term vacant site (vacancy of five years or more) would not otherwise be brought forward for development. For clarity, where the floorspace of an existing building is discounted within a Community Infrastructure Levy calculation due to it qualifying as ‘in-use’, it will not be possible to also argue that the vacant building credit should apply.
- 2.13 This SPD also supplements policy H4 of the Local Plan, which deals with build-to-rent developments, and which requires a distinct approach to affordable housing. Policy H4 is included in Appendix 2. Paragraphs 4.14 to 4.24 of this document relate specifically to build-to-rent, although the general provisions of the SPD also apply unless otherwise stated.

#### *Other local policy*

- 2.14 One of the priorities of Shaping Reading’s Future: Reading Borough Council’s Corporate Plan 2018-2021 is ‘Ensuring access to decent housing to meet local needs’, and the need to deliver additional affordable homes is an essential part of this.
- 2.15 The Plan aims for almost 800 additional affordable homes over the period 2017 to 2022, although it should be noted that these aims are still some way below the actual identified need for new homes set out in section 3. At March 2019, 224 of these homes had been delivered. The Plan also aims to reduce the number of families in bed and breakfast with shared facilities to zero from 2018.
- 2.16 The Corporate Plan identifies the production of a new Housing Strategy as one of the next steps. The Council is in the process of preparing this Housing Strategy, and it is expected to be adopted in autumn 2020. The preparation of the strategy has taken place alongside this SPD and the content is therefore consistent. The Housing Strategy has six priorities:
- Deliver high quality and sustainable homes
  - Facilitate a supply of housing that will meet the identified needs of all residents
  - Enhance the quality, safety and sustainability of existing homes
  - Create attractive and connected neighbourhoods
  - Prevent homelessness and help people sustain their accommodation
  - Enable residents to access support, maintain their independence and have a voice to in respect to the services they receive.
- 2.17 The Housing Strategy is a high-level document, and there are a number of other existing and proposed strategies that sit within its framework and

provide greater detail. This includes the Homelessness Strategy, Accommodation with Care Strategy and Empty Homes Strategy.

### 3 Affordable housing in Reading

#### *Need for affordable housing*

- 3.1 Reading is the heart of the Thames Valley, an economically successful area with excellent transport links and a high quality of life. One of the difficulties with this success is that there are significant issues with affordability of housing in Reading. Figures from the Office of National Statistics show that median house prices in Reading were 9.06 times median gross annual workplace-based earnings in 2019, and that affordability has been progressively worsening over the last 20 years. This issue is accentuated still further when lower-quartile house prices are compared to lower-quartile earnings, which gives a better view of where the affordability issues are likely to arise in particular. The Berkshire (including South Bucks) Strategic Housing Market Assessment (SHMA, 2016) shows that over time, lower quartile affordability in Reading is consistently worse than median affordability<sup>2</sup>. Put simply, in Reading, people on lower wages struggle to be able to afford housing at the lower end of the market.
- 3.2 This manifests itself in a high level of demand for affordable housing. At May 2020, there were 3,417 households on the Housing Register. During 2019-2020, 1,066 households approached the Council at risk of homelessness.
- 3.3 As a result, the need for affordable housing in Reading is very substantial. The most up-to-date full assessment of need for affordable housing is within the SHMA. This calculated that there was a need for 406 affordable homes each year up to 2036 to meet existing and newly arising needs, which would equate to almost 60% of the total housing needs over the same period. A more up-to-date sensitivity test of the SHMA conclusions based on more recent information<sup>3</sup> found that the need for affordable housing in Reading was significantly higher, at 503 homes per year. To meet even a reasonable proportion of this need, there will need to be very high levels of delivery of new affordable homes, from all sources, whether through contributions from private developments, or through new dwellings delivered by the local authority or other providers.
- 3.4 Failure to provide homes that people can afford would not only impact those in housing need, but would potentially affect the whole economy. The lack of affordable housing is frequently identified as a barrier to economic growth in the area. The economy cannot grow sustainably if the workforce needed cannot afford to live in the area. As well as providing for those in need, sufficient affordable housing should also be regarded as an essential piece of infrastructure to support the economy.
- 3.5 The Council maintains the Housing Register for the Borough and monitors and manages allocations. There is a high need for rented housing (or support through housing benefit). There is a particular need for housing for

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<sup>2</sup> See figures 92 and 93: [http://www.reading.gov.uk/media/2959/Housing-Market-Assessment/pdf/Berkshire\\_Strategic\\_Housing\\_Market\\_Assessment\\_Feb\\_2016.pdf](http://www.reading.gov.uk/media/2959/Housing-Market-Assessment/pdf/Berkshire_Strategic_Housing_Market_Assessment_Feb_2016.pdf)

<sup>3</sup> OAN Sensitivity Testing, March 2018: [http://www.reading.gov.uk/media/8648/EV034-Western-Berkshire-OAN-Sensitivity-Testing-March-2018/pdf/EV034\\_Western\\_Berkshire\\_OAN\\_Sensitivity\\_Testing\\_March\\_2018.pdf](http://www.reading.gov.uk/media/8648/EV034-Western-Berkshire-OAN-Sensitivity-Testing-March-2018/pdf/EV034_Western_Berkshire_OAN_Sensitivity_Testing_March_2018.pdf)

families (defined as households with children living in overcrowded conditions) who are generally the highest priority needs.

### *Supply of affordable housing*

3.6 Over the period of the Local Plan so far (2013-2020), 648 new affordable homes have been delivered, which equates to an annual average of 93 homes. It is therefore clear that the supply is falling some way short of the assessed need of 406 per year. It is therefore essential that all sources of affordable housing are maximised.

3.7 There are three main sources of new affordable housing:

- Local authority new build
- Development by another registered provider
- Provision as part of a developer contribution

Over the first part of the Local Plan period, the majority of new affordable housing has been provided as an on-site contribution on private developments. Of the affordable homes provided between 2013 and 2019, 84% have been for rent (with a mix of affordable rent at up to 80% of market rents and social rent) with 16% for shared ownership.

3.8 To help address the shortfall in affordable housing, in 2014 the Council launched its own new-build affordable housing programme on Council-owned land. This uses a combination of Housing Revenue Account (HRA) borrowing, Right to Buy receipts and Section 106 receipts. Phase 1 of the Local Authority New Build (LANB) programme has now been completed, whilst Phase 2 of the programme is underway. By Spring 2019, 104 homes had been completed within Phases 1 and 2. Preparations are underway for Phase 3 of the programme, and the Council's Corporate Plan 2018-21 (Spring 2019 Review) expected planning applications for 182 homes under Phase 3 to be submitted in Summer 2020.

3.9 Where the Local Plan policy, as supplemented by this SPD, is to be fulfilled by an off-site financial contribution, this may be put towards the LANB programme. Other registered providers also develop affordable homes in Reading, albeit often at quite a small scale, and this new provision by other registered providers may also be grant funded by off-site financial contributions.

3.10 However, development by registered providers does not nearly suffice to meet needs, and on-site homes provided as a contribution by housing developers are essential to providing the necessary levels of affordable housing in Reading, and to ensuring that communities are mixed and balanced. Over recent years, this on-site provision has formed the vast majority of new-build supply. Even with the LANB programme having started to deliver between 2018 and 2020, 67% of affordable housing completions over those two years still came from on-site provision by private developers. Therefore, despite the Council having ambitious plans for building its own homes, on-site contributions from developments will continue to be absolutely essential if a significant proportion of the need is to be met.

## 4 On-site affordable housing

- 4.1 On developments of ten or more dwellings, provision of affordable housing is expected to take the form of on-site provision, as specified by Local Plan policy H3. This means provision of either completed units or serviced land. Policy H3, as well as H4 in the case of build-to-rent proposals, specifies that 30% of the dwellings proposed should be affordable. This relates to the total provision on-site, not to the net increase in dwellings.

### *Tenure*

- 4.2 In general, of the on-site affordable housing provided to comply with policy H3, the tenure split will be as follows:
- Affordable rented accommodation at 'Reading affordable rent' levels - at least 62%; and
  - Affordable home ownership (shared ownership or another product) - maximum 38%.
- 4.3 The above will not apply where the purpose of the proposal is the delivery of affordable housing. It will also not apply to the build-to-rent developments, which are dealt with in paragraphs 4.14 to 4.24 below.
- 4.4 The tenure expectations in this section have been subject to viability testing to ensure that developments should generally be able to provide policy-compliant affordable housing at these levels without an adverse effect on viability levels. The results of this viability testing are available to view on the Council's website.

### Reading affordable rent

- 4.5 The expectation is that all affordable homes for rent secured through on-site provision on developments will be let at 'Reading affordable rent' levels, or lower.
- 4.6 'Reading affordable rent' is a tenure which is considered affordable to those in housing need in Reading. 'Reading affordable rent' is defined as rental levels capped at 70% of market rates. To assist with implementation of this requirement, the Council will produce an annual statement specifying what 70% of market rents equates to for Reading and publish this on its website. The rates for 2019-20 are set out in Appendix 3.
- 4.7 An exception to the above will apply if the rental element is to be provided as key worker housing or supported accommodation. Provision of the rented element as key worker housing or supported accommodation will only be acceptable where the Council has identified a specific need that will not be met elsewhere.
- 4.8 'Reading affordable rent' will also not apply to affordable private rental properties provided as part of a build-to-rent development. The tenure expectations for build-to-rent are set out in paragraphs 4.14 to 4.15.
- 4.8 The purpose of 'Reading affordable rent' is to strike a balance between maximising the amount of affordable housing which can be secured on-site and ensuring that rents are at a level which are genuinely affordable to

those in housing need in Reading. The level at which 'Reading affordable rent' has been set has been calculated with reference to the affordability of housing in the local area for Reading's residents, based on a median household income, spending 35% of that income on housing.

- 4.9 The requirement that 62% of the affordable housing element be let a 'Reading affordable rent' was subject to viability testing, based on the same scenarios and assumptions used in setting the overall requirement in the Local Plan. It was found to be generally viable in most scenarios.

*Shared ownership and affordable home ownership*

- 4.10 The NPPF (paragraph 64) requires that 10% of major housing developments should be available for affordable home ownership. This includes shared ownership, as well other intermediate tenures such as discounted market sale at least 20% below local market value. As the overall on-site affordable housing requirement in Reading is 30%, this means that at least one third of on-site affordable housing should be for affordable home ownership products. In Reading, this has been increased to 38% to ensure that the whole on-site affordable housing package, including those units to be let at 'Reading affordable rent', is viable.
- 4.11 The NPPF includes starter homes within its definition of affordable housing. Starter homes are new dwellings, available for purchase by first time buyers between the ages of 23 and 39 only, sold at a discount of at least 20% of market value and, in Reading, for less than £250,000. Starter homes are defined in legislation. The Council's view is homes for sale at 80% of market value in Reading do not represent a truly affordable product that meets needs, and neither does any product that is not secured in perpetuity. It will not therefore expect provision of starter homes as part of developments.
- 4.12 In August 2020, the government consulted on a proposal to introduce a requirement that 25% of the affordable housing provided on-site by private developments should be in the form of 'First Homes'. First Homes are homes for sale to first-time buyers at a minimum 70% discount, which will continue to apply when the house is sold. The preferred approach was that the First Homes requirement would be in place of other affordable home ownership requirements, and in the case of Reading would replace some of the shared ownership element. The consultation on this draft SPD is taking place immediately after the First Homes consultation, and the final version may need to be amended to take account of any changes to national policy.
- 4.13 The proportion of the affordable homes that will be for intermediate sale is expressed as a maximum, as these products make a less significant contribution to those in housing need in Reading than affordable rented homes. The priority is therefore for the provision of homes rented at 'Reading affordable rent'. For this reason, if overall on-site affordable housing provision is reduced below 30% for viability reasons, it will not be considered acceptable to increase the proportion of that provision that is shared ownership or other affordable sale purely in order to continue to meet the 10% requirement of the NPPF.



### ***Build to rent***

- 4.14 Build-to-rent involves purpose-built development held in a single ownership and intended for long-term rental. It is a relatively recent form of development for Reading, with the first such local scheme under construction in 2020. However, it is now prevalent elsewhere, such as in London, and is expected to grow. It has recognition in the National Planning Policy Framework (NPPF), which includes acceptance that this form of development has characteristics which necessitate a distinct approach to affordable housing. The Local Plan includes policy H4 dealing specifically with build to rent schemes, which is included as Appendix 2.

### ***Rental levels***

- 4.15 For build to rent proposals, policy H4 expects that, as for other schemes of ten homes or more, 30% of the dwellings will be affordable housing, provided on site. National and local policy requires that this on-site provision will be in the form of ‘affordable private rent’. Affordable private rent is a housing tenure introduced in the NPPF specifically to form the affordable housing element of build to rent developments. As for other forms of affordable housing, it must be at least 20% below local market rents, but the key difference from affordable rent is that it can be provided by the owner of the build to rent development rather than by a Registered Provider.
- 4.16 Paragraph 4.4.33 of the Local Plan makes clear that rental levels for affordable private rent, deducting from this ceiling the cost of service charges, must be set in relation to Local Housing Allowance (LHA) levels for Reading. Any changes in rents must also be linked to changes in LHA levels. Failing to link rents to this level would mean that there is little prospect of such housing remaining genuinely affordable to those in need. Rental levels which are 80% of the market rent for the unit may only be applied where these are at or lower than LHA levels. Should LHA be replaced in the future, the applicable rent will be the lower of (a) 80% of market rent or (b) the last published LHA rate as increased by an amount equivalent to any increase in the CPI from the date on which the LHA rate was last published to the date the affordable private rent is calculated.

### ***Management***

- 4.17 Where affordable private rent dwellings are to be delivered on site, the management process will be dealt with in the Section 106 agreement. This will either involve agreeing the details within the agreement itself, or the submission and agreement of a management strategy before occupation. In accordance with Planning Practice Guidance, the details to be covered should include the parameters of the lettings agreement, the rent levels, apportionment of the homes across the development, a management and service agreement, and a marketing agreement setting out how their availability is to be publicised (see PPG, 60-006-20180913)<sup>4</sup>.
- 4.18 In line with Planning Practice Guidance, there will also need to be an annual statement, required by the Section 106 agreement, “confirming the approach to letting the affordable units, their ongoing status, and clearly

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<sup>4</sup> <https://www.gov.uk/guidance/build-to-rent>

identifying how the scheme is meeting the overall affordable housing level required in the planning permission” (60-006-20180913).

#### Eligibility

- 4.19 Paragraph 4.4.35 of the Local Plan states that “affordable housing will be allocated to eligible households on Reading’s housing waiting list”. For at least four weeks, the properties should be marketed exclusively to households nominated by the Council, and thereafter to other households meeting qualifying criteria agreed in the Section 106 agreement including those nominated by the Council. This should apply both to the initial letting upon the development’s completion, and to any subsequent re-letting.
- 4.20 The following criteria may be taken into account when setting out qualifying criteria for affordable private rented homes in a Section 106 agreement:
- Whether household size is appropriate to the size of the property;
  - The degree to which the rents are affordable to the household (including any benefits for which the household is eligible);
  - Suitable references and credit history;
  - Recent convictions, within five years; and
  - Demonstration of an understanding of the responsibilities within the tenancy agreement.
- The Council will not expect the owners to apply additional criteria to those set out in the Section 106 agreement without written agreement.
- 4.21 Households should be offered tenancies of at least three years in the first instance, with a six month break clause in the tenant’s favour, in line with the tenancies for the market rental dwellings as set out in policy H4.

#### Changes in circumstances

- 4.22 Affordable private rented accommodation, as for other forms of affordable housing, should be secured in perpetuity. In addition, policy H4 states that the whole of a build to rent development should be secured in single ownership for the rental market for at least 20 years. Nevertheless, Planning Practice Guidance recognises that there may be cases where developers may have to sell all or part of a development so that it no longer qualifies as build to rent, and, in exceptional cases may need to convert affordable private rent to an alternative tenure. PPG expects that the Section 106 agreement for build to rent permissions should anticipate this and include ‘clawback’ measures to ensure that the value of the affordable housing contribution is maintained.
- 4.23 There are therefore two different scenarios to consider, and which should be built into a Section 106 agreement for build to rent schemes. Firstly, there is the sale of market build to rent units so that they no longer qualify as build to rent. Secondly, there is the sale of affordable private rented units or conversion into other tenures.
- 4.24 In the eventuality of the owner of a build to rent development transferring ownership of some or all of the units so that they no longer qualify as build to rent, the key element to consider will be the difference in value between the unit(s) as build-to-rent and as general homes. The developer would be expected to provide valuations of both uses, and a proportion of any uplift in value should be captured as a financial contribution. This proportion should be in line with the relevant affordable housing contribution for the

size of scheme set out in policy H3 (with the size of scheme meaning the development as a whole and not just the amount of units proposed to be sold or changed). For developments of ten dwellings or more, which will usually be the case for build to rent, this will mean 30% of the uplift in value.

- 4.25 The second possibility would be the sale of an affordable private rented unit or units, or conversion into other tenures. In the first instance, such a sale should be to a Registered Provider, for conversion to an alternative affordable tenure, at a value which reflects the value of the units including the affordable rental levels. Any other sale would result in the permanent loss of an affordable unit. For this reason, the Council wishes to avoid this scenario. However, in an exceptional case where this is necessary, the priority will be to ensure that the unit is replaced. The preference should be for the owner to replace the unit with equivalent provision, either within the same building or complex, or elsewhere in Reading. Where this cannot be achieved, a financial contribution to off-site affordable housing will be required. This should reflect the cost of providing an alternative dwelling, which, as set out in section 5, can be estimated as 50% of a unit's market value. Therefore, in the instance that an affordable private rented unit were to be converted to market tenure, a financial contribution of 50% of sale price would generally be required.

#### ***Size and priority needs***

- 4.26 The size and type of affordable housing secured on-site will need to take the circumstances of the site and the development into account. A town centre flatted scheme on a small site will clearly need to have a different mix of size and type of affordable housing than a development of new houses in a larger suburban location. Therefore, the affordable housing to be provided will depend the mix of sizes and types within the overall development, and the expectation is that the homes to be provided will broadly reflect the overall mix of sizes and types.
- 4.27 However, the mix will also need to reflect needs. In terms of size of affordable homes needed, the priority is for family-sized accommodation. Policy H3 refers to the priority being for homes of two or more bedrooms. Within this, the greatest need is for larger homes with three or more bedrooms. The Berkshire SHMA examined the need for different sizes of both market and affordable accommodation, and concluded that around 90% of the need for affordable homes in Reading was for two-bed or more, and 60% was for three-bed or more<sup>5</sup>. Since the SHMA was published in 2016, this need has only been exacerbated by recent affordable delivery, which has been mainly for one- or two-bedroom properties, reflecting the overall type of housing provided on these sites. Some sites are better placed to deliver the larger properties for which the needs are greatest and opportunities to meet these priority needs should be taken.
- 4.28 Previous affordable housing policies have referenced other priority needs including the provision of extra care accommodation. There is not currently considered to be any particular need for affordable extra care

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<sup>5</sup> See Table 107 of the Berkshire SHMA - [https://www.reading.gov.uk/media/2959/Housing-Market-Assessment/pdf/Berkshire\\_Strategic\\_Housing\\_Market\\_Assessment\\_Feb\\_2016.pdf](https://www.reading.gov.uk/media/2959/Housing-Market-Assessment/pdf/Berkshire_Strategic_Housing_Market_Assessment_Feb_2016.pdf)

accommodation, as a substantial amount has been provided in recent years. The same applies to other specialist housing needs. However, the Council will keep this under review, and specific needs may arise in relation to a particular development. The Council may, from time to time, publish additional information on the nature of the affordable housing being sought to meet identified needs. Advice from the Council's Housing section, and any needs identified in an up-to-date Housing Strategy, will be taken into account.

- 4.29 Policy CR6 of the Local Plan refers to the need to avoid an overconcentration of social rent for single people in the town centre. As the rented elements of on-site provision are expected to be capped at Reading affordable rent, this will become less of an issue for the planning process and more for a RP to consider in setting rental levels.

***Design, quality and layout***

- 4.30 The design, construction and quality of the affordable housing should be in keeping with the character, appearance and quality of any market housing on the site. It is vital that all residents of new developments are able to enjoy a high quality of life. There should be no compromises on meeting the policy requirements for new housing in terms of design and amenity for the affordable element of developments, so the design must be 'tenure-blind'. Affordable homes will need to meet the relevant standards under policy H5 of the Local Plan in terms of sustainability, water efficiency, internal space and accessibility that apply to any developments.
- 4.31 In terms of distribution within a development, it is important to bear in mind the purpose of provision of affordable, which is the creation of mixed and balanced communities. This objective should also apply to individual sites. Developments should not set out to segregate the affordable elements from the market housing, and a mix across the site should be achieved wherever this is possible. It is accepted that, for practical reasons, it may be necessary for affordable homes to be provided in groups rather than 'pepper potted' around a development, but a proposal which separates affordable housing out from the market elements and from access to open spaces, play areas and amenity areas will not be acceptable. Poor quality entrances and amenity space for the affordable elements will also not be permitted. The dwellings which are to be provided as affordable homes should be clearly marked on a plan included within the Section 106 agreement.
- 4.32 It is expected that affordable dwellings will have the same level of car parking provision as market dwellings of equivalent sizes on the same site.
- 4.33 Sites in a single ownership should not be artificially sub-divided to reduce the level of affordable housing below the threshold for on-site provision, 10 dwellings. Where a site has been divided to assist delivery, it will generally be expected that a phased outline permission with a single Section 106 agreement will cover the site. Where it is considered that there is clear scope for an uplift in dwellings that would result in the site exceeding the threshold for on-site provision, a Section 106 agreement will be expected to agree that such a combined development will be judged against the policy requirements for a site of that size.

- 4.34 Developments of 20 or more new-build dwellings are required under Local Plan policy H5 to provide at least 5% wheelchair user dwellings, under M4(3) of the Building Regulations. In some cases, these may form part of the on-site affordable housing element. Where the Council is responsible for allocating or nominating an individual to these homes, they will need to be 'wheelchair accessible' as defined in Part M.

## 5 Off-site provision

- 5.1 This section applies to instances where the contribution to be made to affordable housing would be off-site, rather than, or in addition to, securing on-site affordable units.

### *Provision on surrogate sites*

- 5.2 In some cases on sites of ten units or more, the Council may accept an argument that there are exceptional circumstances that mean that it would be beneficial and preferable for the affordable housing required as part of the development to be provided on a surrogate site.
- 5.3 It is important that, where a surrogate site is to be provided, the affordable housing to be provided is in addition to what would have been expected on the site in any case. If a site is already identified as suitable for housing use, which can include Local Plan allocations as well as sites identified in other policy tools such as housing land supply calculations, a housing trajectory or brownfield land register, and affordable housing to be provided on site as a surrogate for another site should be in addition to the policy-compliant level of affordable housing provision on that site.
- 5.4 Where a proposal to provide affordable housing on a surrogate site is accepted, the Council will expect that the affordable housing to be provided will be subject to the same requirements as on-site housing (see section 4), and that:
- The affordable housing provided on the surrogate site will normally be of similar style and quality as the housing that is being provided on the principal site;
  - The mix of affordable housing types and sizes provided on the surrogate site will be equivalent to the affordable housing that would have been provided on the principal site;
- 5.5 An exception to the points above may be accepted where there are good reasons, supported by evidence, for providing a different product on the surrogate site.

### *Financial contributions to off-site affordable housing*

- 5.6 On sites of less than ten dwellings, policy H3 of the Local Plan requires a financial contribution to off-site affordable housing, rather than an on-site contribution. On sites of 1-4 dwellings, this will equate to 10% of the development, and on sites of 5-9 dwellings, this will equate to 20%. In exceptional circumstances, a financial contribution may also be accepted on sites of 10 dwellings or more, as described in paragraph 4.4.21 of the Local Plan, where an on-site contribution cannot be made and an opportunity to make provision on a surrogate site is not available. Sites in a single ownership should not be artificially sub-divided to reduce the level of financial contribution required.
- 5.7 Any financial contribution should be equivalent to the contribution that would have been made to provide the housing on-site. It should be of a sufficient amount to enable a registered provider, including the Council, to

provide a dwelling or dwellings of an appropriate size at an appropriate rental level to meet the identified need.

- 5.8 A registered provider can borrow against rental streams and use their own resources to purchase or construct completed units. However, it can only afford a proportion of the market value of the completed unit. In order to be able to provide a dwelling, the registered provider will require a financial subsidy equal to the proportion of the market value that it cannot afford. The financial contribution being sought in lieu of on-site provision will be broadly equivalent to this amount and is based on the general ability of an RP to purchase in the current market.
- 5.9 At the time of producing this SPD, the evidence in the market place generally is that a registered provider would be able to fund approximately 50% of the market value of a unit and would generally need a financial contribution of the remaining 50% of the market value in order to provide each unit. The figure will vary to some extent depending on the size and tenure (target rent/adjusted target rent, affordable rent, intermediate housing) of the affordable unit being provided. However, the figure of 50% market value of a unit provides an indication of the general level of contribution that will be needed to provide one unit by an RP in the current market. This takes account of the fact that the costs of complying with a variety of housing standards can be different for a unit of affordable housing.
- 5.10 The most appropriate way to calculate the contribution is to calculate the Gross Development Value (GDV) of the entire proposed development. The financial contribution will usually be directly proportionate to the GDV of the scheme assuming it is 100% private sales. As the financial contribution required by an RP to fund one unit is 50% of a unit's market value, the financial contribution equates to 50% of the proportion required under policy. Therefore, the following will generally apply:
- For sites of 1-4 dwellings, where the contribution required by policy H3 is 10%, this will equate to 5% of GDV of the development;
  - For sites of 5-9 dwellings, where the contribution required by policy H3 is 20%, this will equate to 10% of the GDV of the development; and
  - For sites of 10 dwellings or more, where the contribution required by policy H3 is 30% and where, in exceptional circumstances, a justification has been made for an off-site rather than on-site contribution, this will equate to 15% of the GDV of the development.
- For the avoidance of doubt, for mixed use developments, where the 'development' is referred to above, this means the new dwellings.
- 5.11 An applicant proposing an off-site financial contribution should provide the details of their calculation of the GDV of a development. This should consist of scheme-specific achieved values - total and individual values for different dwelling types - accompanied by independent supporting evidence consisting of at least two independent valuations from suitably qualified local estate agents or benchmarked against Land Registry values. Where these values are estimated, they should be supported by relevant analysed sales evidence of genuinely comparable property with sales verifiable through Land Registry records.

- 5.12 It is important to note that paragraphs 5.9 to 5.10 above are based on the current estimated costs of providing an affordable housing unit. Where there is strong evidence that these costs have changed, the Council may apply an alternative calculation.

***Financial contribution from student accommodation, residential care or serviced apartments***

- 5.13 In paragraph 1.6, it is made clear that the requirement for contributions to affordable housing will not apply to student accommodation, residential care (in the C2 use class) or serviced apartments other than in specific circumstances. This section clarifies where it would apply, and how it will be operated.
- 5.14 Contributions to affordable housing will only be sought where these forms of development takes place on a site which is allocated for housing or where residential development including affordable housing provision would have been anticipated. An example of such a site is where there is an existing residential permission which would contribute to affordable housing, or a site which otherwise appears for general housing within the latest Housing Trajectory or housing land supply calculations. Additionally, for serviced apartments only, contributions would only be sought where the development allows for tenancies of more than three months.
- 5.15 The reason for this is that, whilst there is an argument that these forms of residential accommodation can free up existing housing by drawing people out of houses or houses in multiple occupation, it does not address the significant affordable housing need. Therefore, the loss of a housing site which would have contributed to affordable housing should be mitigated by seeking an affordable housing contribution from the alternative development. Since policy H12 of the Local Plan generally directs student accommodation away from these locations, it is expected that such instances will not be frequent for student accommodation.
- 5.16 In these cases, the contributions sought will need to take the form of a financial contribution that equates to those set out in policy H3.
- 5.17 For serviced apartments, this would mean a 10% contribution for sites of 1 to 4 serviced apartments, 20% for sites of 5 to 9 and 30% for sites of 10 or more, calculated on the basis of GDV as set out in paragraph 5.10.
- 5.18 For student accommodation, a dwelling equivalent will need to be calculated, and the Local Plan includes such a methodology for the purposes of calculating housing supply in Appendix 1. This states that:
- “Where there is a cluster of bedrooms with shared kitchen and living room facilities, this is considered to be equivalent to a single dwelling, as are studios which are entirely self-contained. More frequently, accommodation is in the form of study bedrooms with some shared facilities, and in these cases we assume that four bedrooms equates to one dwelling.”
- 5.19 For residential care, the Local Plan methodology states that:



“Some accommodation for older people, such as extra care housing, tends to count as a C3 dwelling anyway, where it is a wholly self-contained residential unit. In care accommodation with shared facilities, the assumption is that two new residential care spaces free up one new home.”

- 5.20 Once translated into dwellings, the relevant requirements in H3 for the scale of development will be applied, with all requirements expected to take the form of a financial contribution calculated on the basis of GDV as set out in paragraph 5.10.

#### ***Other forms of accommodation***

- 5.21 A financial contribution will also be sought from some other forms of residential development that do not take the form of dwellinghouses. This will apply to new-build houses in multiple occupation, for instance. In addition, ‘co-living’ is a new form of accommodation which is emerging as a response to the housing crisis, may well gain traction in Reading. These forms of development do not lend themselves to on-site affordable housing provision which would involve transfer to a registered provider, and therefore in most cases, regardless of size, an off-site financial contribution is more likely to be appropriate than on-site provision.
- 5.22 The off-site contribution should be calculated by converting the bedspaces to dwelling equivalents (usually on the basis of four bedspaces equating to one dwelling, unless there is an alternative methodology which is clearly more appropriate) and applying the relevant percentage contribution as set out in policy H3 on the basis of GDV, as set out in paragraph 5.10.

#### ***Spend of financial contributions***

- 5.22 Commuted sums collected by the Council in lieu of on-site provision of affordable housing will be spent on delivery of affordable housing schemes across Reading. The Council is building new affordable homes through its Local Authority New Build programme, and may also grant fund other Registered Providers to deliver new affordable homes.
- 5.23 The First Homes requirement on which the government commenced consultation in August 2020 includes a provision that 25% of affordable housing contributions would be delivered as First Homes, and this would include off-site financial contributions. The Council will ensure that a final version of this SPD takes account of any changes to national policy, but wherever it can will continue to prioritise the funding of affordable housing that most clearly meets the needs, which is generally rented housing at or below Reading affordable rent.
- 5.24 As of December 2020, the Council is required to produce an annual Infrastructure Funding Statement, which sets out how financial contributions under Section 106 (as well as CIL) have been spent.

## 6 Viability

- 6.1 In line with national policy, the Local Plan requirements, including those for affordable housing, should generally be assumed to be viable. The viability of those requirements as a whole were subject to testing at plan-making stage and have been found to be sound. In most cases, there should be no need for deviation from these policy requirements.
- 6.2 However, the Council is still aware that the viability of a residential development will vary from site to site, and that this may in some circumstances affect whether a development can provide a level of affordable housing that complies with policy requirements. Policies H3 and H4 and their supporting text make clear that, where applicants can demonstrate exceptional difficulties in bringing a site to market, the Council will be prepared to consider detailed information on viability to potentially reduce the affordable housing requirement. The onus will be on a developer to clearly demonstrate the circumstances justifying a lower affordable housing contribution. In line with Planning Practice Guidance, this should include identifying and justifying where there are changes from the assessment at Local Plan examination stage<sup>6</sup>.

### *Viability assessments*

- 6.4 Planning Practice Guidance<sup>7</sup> contains guidance on how viability assessments to justify a reduced affordable housing contribution should be carried out, and this will apply equally to development in Reading.
- 6.5 Essentially, carrying out a viability assessment for the purposes of demonstrating a case for a reduced affordable housing contribution involves comparing the residual land value (the gross development value minus costs) with the benchmark land value (which is generally the current land value, with some additional allowances). PPG contains high-level guidance on how this should be approached which will take precedence over other guidance, whilst the Royal Institute of Chartered Surveyors (RICS) is in the process of updating the more detailed guidance *Financial Viability in Planning* to accord with the NPPF and PPG.
- 6.6 The factors that may render a development unviable in exceptional cases will vary from site to site, but might include particularly high existing use values, the need to provide particularly costly infrastructure, or unusual site conditions, which might include unusually high remediation costs. The Council is, however, clear that the purchase price of the land does not justify deviation from the policy requirements, and this is also strongly emphasised in the PPG.
- 6.6 Viability assessments should generally be carried out on the basis of an expected profit to the developer of 15-20%, as specified in Planning Practice Guidance, with profit levels related to the scale, complexity and risk of the proposed development. A deferred contributions mechanism may be used

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<sup>6</sup> The viability assessment for the Local Plan is on the Council's website at [https://www.reading.gov.uk/media/8686/EV006-Viability-Testing-Report-March-2018/pdf/EV006\\_Viability\\_Testing\\_Report\\_March\\_2018.pdf](https://www.reading.gov.uk/media/8686/EV006-Viability-Testing-Report-March-2018/pdf/EV006_Viability_Testing_Report_March_2018.pdf)

<sup>7</sup> <https://www.gov.uk/guidance/viability>

to capture a future increase in profit, and this is covered in paragraph 6.11 onwards.

- 6.7 Policy H3 is clear that viability assessments will be on the basis of an open-book approach, with all relevant information submitted to be assessed by the Council's Valuer or his/her nominee. The open book accounting should be set out to reveal the residual valuation for the application site taking account of abnormal costs, including Section 106 and CIL requirements.
- 6.8 Viability assessments, where submitted, are critical to understanding the decision that has been taken on an application, and should be open to public inspection. Information submitted will therefore be published on the Council's website alongside other planning application records. Where an applicant has a particularly strong reason why certain information should be redacted when placed on the public record, this case should be made when the information is submitted.
- 6.9 Paragraphs 7.3 to 7.13 summarise the information that will need to be submitted at planning application stage to set out the viability case for any deviation from affordable housing policy. Checklists of the specific information required are also included in Appendices 5 and 6.

#### ***Evaluation of viability assessments***

- 6.9 The Council has in-house expertise which is used to evaluate submitted viability assessments, although external consultants are also used in some cases. The fee for this will be charged to the applicant. The fee structure is tailored to the scale of the application scheme. The current fees in 2020 are set out below, although these may change over time:
- 1 unit- £1,500
  - 2-4 units - £2,500
  - 5 - 9 units - £4,000
  - 10 - 14 units - £5,000
  - 15 - 29 units - £8,000
  - 30 + units - £10,000
  - Multi-phase schemes - £15,000
- 6.10 Carrying out these assessments needs to be factored into the timescales for a planning application, and it underlines why viability assessments should be provided as early as possible.

#### ***Deferred contributions***

- 6.11 The viability of a development can change significantly over time, as market conditions change. The viability situation when a development is implemented can be very different to when the assessment at planning application stage was carried out, and this can particularly arise where a development is large or will be delivered in phases. The Council's policy is that an appropriate contribution to affordable housing will be made. It is therefore considered that, where a reduced contribution to affordable housing was agreed at application stage, a mechanism should be included within the Section 106 agreement that ensures that a proportion of increased profits are secured for affordable housing. This is referred to as a planning deferred contributions mechanism.

- 6.12 There are a number of options for the form of such a mechanism, as follows:
- (i) Profit share - this is the standard approach based on an Open Book assessment at a key stage of delivery (usually when 90% of the units have been sold or let, although this may be varied, in particular where there are longer-term or phased schemes) whereby all scheme costs including land value and agreed profit are deducted from the GDV and any surplus shared between the Developer and the Council on an equal basis.
  - (ii) Private sales share - in default of (i) above the Council may agree to a share of uplift in private sales based on an equal share of any actual sales increase in value in excess of those estimated at the time of grant of planning.
  - (iii) Build costs share - in default of (i) above the Council may agree to a share of savings on build costs based on an equal share of any actual build cost savings against those estimated at the time of grant of planning.
- 6.13 As the profit share approach is the standard approach which is expected to be used in the majority of cases, the Council will usually apply a formula to its calculation. The relevant formula is set out in Appendix 4. The deferred contribution will be capped at policy-compliant levels, and a formula for the cap is also set out in Appendix 4. The appropriate form and application of the deferred contribution mechanism will be case-specific and at the discretion of the Council.

## 7 Application process

- 7.1 The provision of affordable housing, both on-site provision and off-site contributions, will generally be secured through a Section 106 agreement. The provision that a development will make for affordable housing is a critical part of the consideration of a development proposal, and will need to be considered from the outset.

### *Pre-application stage*

- 7.2 It is advisable for heads of terms for Section 106 agreements to be discussed and documented prior to the submission of any planning application, to enable the determination of planning applications within target timescales. The Council encourages pre-application discussions, partly to ensure that the process of agreeing, drawing up and completing agreements is well advanced and they can be agreed and signed within the planning application determination period. Applications may be refused where agreements are not ready to be completed within the determination period, so timely consideration of affordable housing at pre-application stage is important. A draft heads of terms and Affordable Housing Statement as part of a pre-application enquiry will therefore ensure that the best possible advice can be given.

### *Planning application information requirements*

- 7.3 There are a number of pieces of information that are required to be submitted as part of the planning application where affordable housing would be required by policy. Failure to submit an important piece of information will mean that the application will not be validated. More information can be found in the Council's Validation Checklist, which is available on the website<sup>8</sup>.
- 7.4 The Council will provide applicants with a timetable for completing actions so that planning applications can be determined within the specified target period. Failure to provide this information may result in the application being refused if inadequate time is available to complete the agreement.

### *Affordable Housing Statement*

- 7.5 An Affordable Housing Statement is required for all residential developments which are required to provide affordable housing, i.e. all proposals for one dwelling or more (other than replacement of a single dwelling with another single dwelling, and conversion of a dwelling to self-contained flats where there is no new floorspace). The Affordable Housing Statement should specify what is being proposed with regard to affordable housing and should provide justification for the amount and type proposed.
- 7.6 A typical Affordable Housing Statement for developments of 10 or more dwellings, where the expectation is that provision is on-site, should include details of the following:
- the total number of all residential units;

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<sup>8</sup> <https://www.reading.gov.uk/planningadvice>

- the number of affordable units; numbers of bedrooms and property types across all tenures to demonstrate representative mix of unit types and sizes;
- plans showing the location of units;
- the different levels or types of affordability or tenure proposed for different units- this should be clearly and fully explained in line with policy expectation, and include rent levels where appropriate; and
- demonstration that the affordable units have proportionate car parking spaces in line with policy expectation.

- 7.7 A typical Affordable Housing Statement for developments of less than 10 dwellings, where an off-site financial contribution is expected, should include the following information:
- the total number of all residential units;
  - details of the Gross Development Value (GDV) of the whole development, based on two separate valuations by suitably qualified estate agents of the completed development; and
  - the proposed level of financial contribution.

Viability Assessment

- 7.8 Where an application cannot, for reasons of viability, provide the level of affordable housing contribution required by policies H3 or H4 or this SPD, a viability assessment will need to be submitted to justify the deviation from the policy.
- 7.9 As provision of affordable housing is a critical element of the acceptability of any development, it is vital that information that justifies provision below policy levels is publicly available. The Local Plan (paragraph 4.4.24) notes that viability considerations will be on an open-book basis. The expectation is therefore that viability assessments will be published on the Council's website as part of the application information.
- 7.10 In order to fully assess whether the case made by an applicant for not meeting the policy requirements is reasonable and justifiable the Council will require the applicant to submit a residual valuation which covers all of the key items necessary to assess whether the viability case is robust.
- 7.11 The amount of detail required under these headings will differ depending on whether the development is for 10 dwellings or more. Larger developments will need to provide more detail, whilst for smaller developments of less than 10 dwellings, a brief schedule of the main elements of the valuation together with estate agents' valuations will usually be sufficient. The appendices to this SPD contain two checklists for viability assessments that set out the information needed. Appendix 5 is relevant to sites of 10 or more dwellings, whilst Appendix 6 relates to sites of less than 10 dwellings.

Heads of Terms and Section 106 Information

- 7.12 Where an application would be required to contribute towards affordable housing in line with policy, applicants will need to provide the following information as part of the application submission, as set out in the Council's Validation Checklist, which can be found on the planning pages of the Council's website (<https://www.reading.gov.uk/planningadvice>):
- (i) proposed heads of terms of the legal agreement;

- (ii) copies of the “title deeds”;
- (iii) in the event that there are any charges, mortgages or other securities secured on the land, the names and addresses of the chargees/mortgagees/holders of the security (since it will be necessary for any such to be joined as parties to the agreement and/or consent to its terms or execute a Consent to Dealing as appropriate);
- (iv) an undertaking to pay the Council ’s appropriate legal costs in connection with the preparation of the legal agreement;
- (v) in the event that the applicants are represented by solicitors, the relevant contact address and name of the solicitor/person dealing with the matter.

7.13 The Council will process negotiations and agreements on Section 106 agreements in a positive and proactive manner and as quickly as is reasonable. However, it can be a complicated legal process and ample time is needed for its completion. To this end, the Council has drawn up standard clauses to be used in any draft legal agreement to assist the processing of applications. Applicants will need to brief their own legal advisors early in the pre-application process.

***After planning permission***

7.14 It may be necessary for a Section 106 agreement to specify that certain information needs to be submitted at some point after the application is approved. For instance, where deferred contribution mechanisms are included to capture any uplift in profits at the time the development is delivered, there will be requirements for information submission at a later stage, usually when 90% of dwellings are sold or let. The Council will closely monitor developments to identify when certain triggers are reached.

## **8 Process of making the contribution**

- 8.1 The processes that will generally be followed when securing either new affordable homes (on site or on a surrogate site) or a financial contribution to providing affordable housing elsewhere are set out below.

### ***Provision of homes***

- 8.2 Any affordable housing provided should remain at an affordable price for future eligible households, or mechanisms should be provided to enable the subsidy to be recycled for alternative affordable housing provision. The Council believes that most effective way of doing this is through a Registered Provider (RP) such as a housing association (HA) or direct provision by the local authority. The Council will generally prefer to secure provision of affordable housing through a Section 106 agreement. Where a partner Housing Association is involved it will usually be party to the agreement and should be involved as early as possible in pre-application discussions. Section 106 Agreements will be formulated against the provisions and assumptions agreed at the time of determination of the application.
- 8.3 Where on-site provision is made, the Council will normally wish to see the developer transfer the freehold interest in serviced land or completed units (whether on the application site or a surrogate site) to a RP. In some cases, a 999-year lease may be more appropriate. Where it is proposed that the completed units are not to be transferred to a RP, which will generally be the case for build-to-rent developments for instance, the Council will need to be satisfied that, in accordance with the definition of affordable housing in the NPPF, provisions are in place to ensure that the affordable housing will remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision. This will usually take the form of restrictive covenants within a Section 106 agreement.
- 8.4 Developers are advised to involve an RP from the earliest possible stage of the scheme. Involvement from pre-application stage will be helpful, as it will assist with consideration of deliverability, and will ensure that inputs into any viability calculations are more robust.
- 8.5 All Council and Housing Association properties in the Borough are currently let through Reading Borough Council's Choice Based Lettings Scheme. Applicants are awarded priority for housing based on their level of housing need, taking into account criteria such as overcrowding, homelessness, or medical or welfare needs.

### ***Provision of a financial contribution***

- 8.6 Payment of contributions will generally be sought upon first occupation of a development unless it is agreed that an alternative stage in development is appropriate and acceptable. Payments will be made to the Council. For larger scale proposals, in order to assist the viability and delivery of the scheme, the Council may agree to staged or deferred contributions. These might be linked to the occupation of different phases of the development or stages in the implementation of the scheme. Payments will (where



appropriate) be index linked to the Retail Prices Index from the date of the agreement.

- 8.7 The Council will choose the registered providers to which to direct the funding for the provision of affordable housing. Funding will be directed towards schemes to meet the housing needs of Reading Borough. The Council's annual Infrastructure Funding Statement will specify how contributions secured under Section 106 agreements have been spent.

## 9 Glossary

9.1 Please note that, for a full definition of some of the items below, there will be a need to refer to the relevant legislation, which may change over the lifetime of this SPD.

<b>Affordable housing</b>	Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions in Annex 2 of the NPPF (source of definition: NPPF)
<b>Affordable Housing Statement</b>	A statement submitted as part of a planning application to cover the matters in paragraphs 7.5 to 7.7.
<b>Affordable private rent</b>	An affordable housing product specific to build to rent schemes, offered for rent by the private landlord of the build to rent development at up to 80% of market rates. Reading Borough Local Plan policy specifies that the rents should be related to LHA rates.
<b>Affordable rent</b>	An affordable housing product offered for rent by a Registered Provider at up to 80% of market rates.
<b>Alternative use value</b>	The value of land for uses other than its existing use. These uses should be limited to uses that comply with relevant development plan policies in full.
<b>Benchmark land value</b>	For the purposes of viability assessment, benchmark land value is in most circumstances the existing use value (EUV) of a site plus a minimum premium at which a reasonable landowner would be willing to sell their land. Alternative use value will be considered where it can be demonstrated these are fully compliant with relevant Council policies, there is evidenced demand for the uses and a full explanation provided as to why this use is not being pursued.
<b>Build to rent</b>	Purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses, but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control. (definition from NPPF)
<b>Co-living</b>	A form of living accommodation with a focus on community that shares some facilities and amenities. These may include but are not limited to living and dining areas, leisure and working spaces.
<b>Community Infrastructure Levy</b>	A charge which local authorities can charge on most new types of development in their area, to be spent on infrastructure to support the development of the area. CIL was introduced in Reading in April 2015.
<b>Consumer Prices Index (CPI)</b>	The official measure of inflation in consumer prices.

<b>Deferred contribution</b>	Financial contribution by a developer based on a re-assessment of scheme viability either prior to implementation or at a late stage in the development and subject to a cap in potential contributions equal to the shortfall on policy compliance.
<b>Existing Use Value (EUV)</b>	The value of a site in its existing use.
<b>First Homes</b>	A new affordable housing product proposed by government that would be homes for sale to first-time buyers at a minimum 70% discount.
<b>Gross Development Value (GDV)</b>	The market value of a development assuming that the development is complete as at the date of valuation in the market conditions prevailing at that date.
<b>Housing association</b>	A non-profit organisation which provides affordable housing to those in housing need.
<b>Index linking</b>	A method of ensuring that financial sums are linked to an index of prices (such as the Retail Prices Index) to ensure that they take account of inflation and the changing cost of living.
<b>Intermediate housing</b>	Affordable housing provided for sale or rent at levels above social rent but below market levels, and which includes shared ownership.
<b>Key worker</b>	A public sector worker who provides an essential service to the community.
<b>Local Authority New Build</b>	New build housing developed by the local authority and intended to be rented at an affordable level to those in housing need.
<b>Local Housing Allowance rates</b>	The rates used by the Valuation Office Agency (VOA) used to calculate housing benefit for those who are private renting. These vary according to area and dwelling size, and can be calculated on the VOA website <sup>9</sup> .
<b>Reading affordable rent</b>	A locally-set level of affordable rent which is designed to be affordable to those needing affordable housing in Reading, and which is calculated in accordance with paragraphs 4.5 to 4.10 of this SPD. Reading affordable rent levels for 2019-20 are set out in Appendix 3.
<b>Registered provider</b>	Landlords of affordable housing, including local housing authorities and housing associations, which are registered with the Regulator of Social Housing.
<b>Residual land value</b>	The sum left over after deducting all development costs including benchmark land value and developer profit from anticipated scheme gross development value (GDV).
<b>Retail Prices Index</b>	A measure of inflation published on a monthly basis by the Office for National Statistics (ONS).
<b>Section 106 agreement</b>	A legally binding agreement or obligation entered into by the local authority and a land developer over an issue related to a planning application, under Section 106 of the Town and Country Planning Act 1990.

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<sup>9</sup> <https://lha-direct.voa.gov.uk/>

<b>Serviced apartments</b>	A use falling between hotels and housing, providing basic facilities for self-sufficient living but also the amenities of a hotel, and let on short-term tenancies, often less than three months. Generally classed as C1 hotels for planning purposes.
<b>Shared ownership</b>	An affordable housing product where a proportion of the property is purchased and the remainder rented from the Registered Provider.
<b>Social rent</b>	A rental level set by central government according to a formula (also known as formula rent).
<b>Starter homes</b>	A new dwelling available to purchase only by first time buyers between 23 and 39 years old, to be sold for 80% of market value, up to a price cap outside London of £250,000. Other restrictions may be specified in Regulations.
<b>Supported accommodation</b>	Accommodation where housing, support and sometimes care services are provided together <sup>10</sup> .
<b>Surrogate site</b>	A site to be used for the provision of the affordable housing that would otherwise be delivered on the principal development site.
<b>Target rent</b>	A social rent level calculated by government which council and housing associations should use to move their social rents to over time (source of definition: Chartered Institute for Housing)

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/572454/rr927-supported-accommodation-review.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/572454/rr927-supported-accommodation-review.pdf)

## APPENDIX 1: POLICY H3 OF THE READING BOROUGH LOCAL PLAN

### Affordable Housing

#### **H3: AFFORDABLE HOUSING**

***Residential development will make appropriate contribution towards affordable housing to meet the needs of Reading***

- ***on sites of 10 or more dwellings, 30% of the total dwellings will be in the form of affordable housing;***
- ***a financial contribution will be made that will enable the equivalent of 20% of the housing to be provided as affordable housing elsewhere in the Borough; and***
- ***on sites of 1 - 4 dwellings, a financial contribution will be made that will enable the equivalent of 10% of the housing to be provided as affordable housing elsewhere in the Borough.***

***For sites of 10 or more dwellings, provision should be made on site in the first instance with a financial contribution being negotiated to make up the full requirement as appropriate.***

***In all cases where proposals fall short of the policy target as a result of viability considerations, an open-book approach will be taken and the onus will be on the developer/landowner to clearly demonstrate the circumstances justifying a lower affordable housing contribution.***

***In determining residential applications the Council will assess the site size, suitability and type of units to be delivered in relation to the current evidence of identified needs. The Council will seek an appropriate tenure mix of affordable housing to include social rented, affordable rent, intermediate rent and shared ownership affordable units. The affordable units provided should be integrated into the development.***

***Priority needs are currently for housing with two or more bedrooms that can house families. The Council will regularly monitor and review the need for, and delivery of, affordable housing.***

***The following types of residential development will be exempt from the requirement to provide affordable housing:***

- ***Replacement of a single dwelling with another single dwelling; and***
- ***Conversion of a dwelling to self-contained flats where there is no new floorspace.***

4.4.17 Affordable housing is subsidised housing that enables the asking price or rent to be substantially lower than the prevailing market prices or rents in the locality, and is subject to mechanisms that will ensure that the housing remains affordable for those who cannot afford market housing. It is defined in the National Planning Policy Framework (NPPF) as, "Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market." The Government has

consulted on changes to this definition to classify some other tenures as affordable, including starter homes.

- 4.4.18 The NPPF indicates that in order to boost significantly the supply of housing, local authorities should ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area. It goes on to indicate that local planning authorities need to plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community in order to deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities.
- 4.4.19 The Berkshire (with South Bucks) Strategic Housing Market Assessment (SHMA, 2016) has once again emphasised the critical need for affordable housing within Reading as well as the remainder of Berkshire. The SHMA identified a need for 406 new affordable homes per year in Reading, which represents the majority of the overall housing required. The consequences of not providing much-needed affordable homes would be severe, and would include homelessness, households in temporary or unsuitable accommodation, overcrowding and younger people having to remain living with parents for increasing periods. Insufficient affordable housing will also act as an impediment to economic growth, as firms will face increasing problems with accommodation for their workforce. Meeting even a substantial proportion of the identified housing need presents significant challenges, and it is therefore critical that new residential development of all sizes makes whatever contribution it can.
- 4.4.20 A Ministerial Statement in November 2014 sought to remove sites of ten or less dwellings from the need to provide affordable housing. Although subsequent challenges in the courts<sup>11</sup> have upheld this statement, they have also clarified that the statement does not have the effect of overriding local policies where there is evidence of exceptional need for affordable housing. Such a need clearly exists in Reading, and it is therefore appropriate that sites of ten or less dwellings contribute to meeting this need. However, on a practical level, it is more difficult to make such provision from residential conversions and from one-for-one replacement, which means that such developments will be exempted from the provisions of policy H3.
- 4.4.21 Affordable housing contributions will be sought from residential-only developments and mixed-use developments. On-site provision (serviced land or completed units) of affordable housing will always be sought in the first instance on sites of 10 dwellings or more. Where there are exceptional reasons, the provision of surrogate sites (serviced land or completed units) or commuted sums that will enable the provision of a commensurate number and mix of affordable units, will be considered. Examples of exceptional circumstances may include sites where there are existing concentrations of particular types of affordable housing, where there are demonstrable benefits to be gained by providing the new units elsewhere (e.g. to create more socially-balanced communities), or where there is an opportunity to provide a particular type of much needed housing elsewhere (e.g. family housing). In the case of commuted sums, the Council will choose the registered provider to which to direct the funding or may use the

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<sup>11</sup> <http://www.bailii.org/ew/cases/EWCA/Civ/2016/441.html>

contribution for Local Authority New Build. Under this policy it is accepted that affordable housing provision can take place off site or through contributions in the case of sites of less than 10 dwellings.

- 4.4.22 Affordable housing contributions must be secured in perpetuity and thus be available to successive generations of households in recognised housing need. The most effective way of doing this is through the involvement of a registered provider (RP).
- 4.4.23 The target set in the policy has been determined as the result of an assessment of the viability of development of sites of various sizes in the Borough in accordance with the requirements of the NPPF. This will be the expected level of affordable housing provision.
- 4.4.24 However, the Council will be sensitive to exceptional costs of bringing a site to market such as for reasons of expensive reclamation, or infrastructure costs, or high existing use values. Where applicants can demonstrate, to the satisfaction of the Council, exceptional difficulties in bringing a site to market, the Council will be prepared to consider information on the viability of a particular scheme and, where justified through an open book approach, to reduce the affordable housing requirement. The information required will be proportionate to the scale of development, and, where a proposal is for less than 10 dwellings, will be more limited in scope and length. For sites of less than 10 dwellings, a brief schedule of the main elements of the viability calculations, supported by estate agent valuations, will generally suffice. The Affordable Housing SPD, to be revised later in 2019, will contain more detail on information to be submitted. As development costs are usually reflected in the residual land value, the purchase price of a particular site will not, on its own, be a reason for reducing the affordable housing requirement. The Council will generally secure provision of affordable housing through a Section 106 agreement.
- 4.4.25 The tenure, size and type of affordable housing provided as part of any scheme should respond to the identified need for affordable housing taking account of the most up-to-date information, including information in an Affordable Housing Supplementary Planning Document<sup>12</sup> or other Supplementary Planning Document. The SPD may need to be updated to take account of any changes to the affordable housing definition, as well as other matters. Taking account of the 2016 SHMA, housing with two or more bedrooms that can house families is a priority. Paragraph 4.4.8 considers this in more depth. New development should therefore include a range and mix of tenures, sizes and types (e.g. house types, flats) of affordable housing (as appropriate depending on site size) to reflect local needs and to reflect the range and mix of house types in the scheme as a whole (i.e. the mix of dwelling sizes in the provision of affordable housing should reflect the mix proposed for the private housing).
- 4.4.26 At the time of producing the Local Plan, the tenure split below reflects the most up to date position on needs within Reading. However, a revised

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<sup>12</sup> The most up-to-date Affordable Housing SPD at the time of publication is that adopted in July 2013: <http://www.reading.gov.uk/media/1063/Affordable-Housing-Supplementary-Planning-Document-Adopted-July-2013/pdf/Affordable-Housing-Supplementary-Planning-DocumentJul13.pdf>

Affordable Housing SPD, to be produced during 2019, will look at this issue in detail. The needs below are therefore subject to change within the SPD.

- Social rented or affordable rent housing of no more than target rent - 70% of affordable housing units; and
- Intermediate and/or shared ownership housing - 30%.



## APPENDIX 2: POLICY H4 OF THE READING BOROUGH LOCAL PLAN

### **H4: BUILD TO RENT SCHEMES**

*Planning permission will be granted for developments of self-contained, private rented homes which:*

- 1 Are secured in single ownership providing solely for the rental market for a minimum 20 year term with provision for clawback of affordable housing contributions should the covenant not be met; and*
- 2 Provide tenancies for private renters for a minimum of three years with a six month break clause in the tenant's favour and structured and limited in-tenancy rent increases agreed in advance; and*
- 3 Provide a high standard of professional on-site management and control of the accommodation; and*
- 4 Provide a commitment to high-quality rental arrangements, through meeting Reading Borough Council's voluntary Rent with Confidence Standards or equivalent measures; and*
- 5 Provide for a mix of unit sizes in accordance with Policy H2 or CR6; and*
- 6 Meet the standards of design set out in Policy H5; and*
- 7 Provide 30% on-site affordable housing, either in accordance with Policy H3 and any relevant Supplementary Planning Document; or in the form of Affordable Private Rent Housing as defined and set out in a relevant Supplementary Planning Document.*

4.4.27 Planning Practice Guidance, under the heading 'The private rented sector', indicates that:

“some privately rented homes can come from purpose built schemes held in single ownership which are intended for long term rental. The economics of such schemes differ from build for sale and should be determined on a case by case basis. To help ensure these schemes remain viable while improving the diversity of housing to meet local needs, local planning authorities should consider the appropriate level of planning obligations, including for affordable housing, and when these payments are required. So these homes remain available to rent only, local planning authorities may choose to explore using planning obligations to secure these schemes for a minimum period of time. Local planning authorities should enforce these planning obligations in the usual way.” (reference 10-018-20150326)

4.4.28 A large part of the housing stock in Reading is privately rented although mostly through landlords who own a limited number of separate properties. Development interest in large, institutionally owned, private rented schemes has increased in Reading recently. Thames Quarter, a development of 315 residential units on the corner of Vastern Road and Napier Road was approved in principle in 2017, subject to the applicant entering into a planning agreement to retain it in single ownership and in occupation as a private rented scheme. In line with emerging government policy, including the NPPF, it is considered that the local plan for Reading needs to contain a policy covering this form of development.

- 4.4.29 Build to Rent developments are long term investment vehicles that it is hoped will be attractive to financial institutions. Financial institutions will be looking for large-scale, professionally managed developments. Such developments will bring new providers into the UK housing market (financial institutions play major roles on housing provision in much of Europe and North America), thus increasing competition. They will bring higher quality and better managed accommodation and associated services to the private rental market. They will operate with longer tenancies as the model seeks to retain occupants for as long as possible.
- 4.4.30 Private rented sector (PRS) housing meets the housing needs of residents who cannot afford to buy or do not want to buy private homes or who cannot get access to social housing or subsidised housing in Reading. It can benefit the local and regional economy as it enables greater household mobility. However, there are many issues associated with private renting in the Borough revolving around poor quality and poorly managed accommodation with limited security of tenure and unjustified rent increases.
- 4.4.31 The Council wishes to encourage a private rented sector which provides high quality, professionally managed accommodation and a greater level of security for tenants than that which is offered by much of the current PRS market. We will support institutional investment in the sector where benefits are secured for residents and the economy of the Borough and where this produces high quality development with positive benefits for the Borough. Such schemes will normally be larger scale developments of more than 50 units to achieve the level of quality and facilities and to efficiently provide the high quality of management that is needed to support such accommodation.
- 4.4.32 It is accepted that as Build to Rent developments are dependent on long term rental income rather than early sales, their funding is inevitably long term, and operates to different viability models compared to for sale schemes. Government policy therefore sees a need for some flexibility, particularly in relation to affordable housing provision. Nevertheless, where such justification is being made, the Council will expect the viability assessment to also provide information on the viability of the development as a for sale scheme.
- 4.4.33 The Council will expect rental levels for the affordable housing or Affordable Private Rent housing to be related to Local Housing Allowance rate levels (including service charges) and be affordable for those identified as in need of affordable housing in the Borough. An Affordable Housing SPD, to be produced in 2019, will set out further detail. The Council will expect such housing to remain affordable in perpetuity.
- 4.4.34 That policy acknowledges the need to tie such schemes to providing rental accommodation for a minimum period of time, particularly where the planning authority has been flexible over affordable housing provision or in the use of the Affordable Private Rent housing. Therefore, where viability assessments show that the full target affordable housing cannot be provided or where the provider proposes the provision of Affordable Private Rent Housing, managed by the owner of the development, the Council will expect the application to agree to a covenant tying the development to

providing solely private rented accommodation for a minimum period of 20 years. Where viability testing demonstrates that affordable housing contributions are unviable, clawback mechanisms will be included as part of the planning permission to recoup the loss of affordable housing if any residential units are sold out of single ownership within the covenant period. Comments on assessing viability within policy H3 and its supporting text also apply to schemes under H4. A charge towards the provision of additional affordable housing will be triggered where any private rented homes are sold within the development within 20 years of occupation of the completed development.

- 4.4.35 Affordable housing will be allocated to eligible households on Reading's housing waiting list. Affordable Private Rent Housing must be allocated in the first instance to eligible households on Reading's housing waiting list.
- 4.4.36 Any on-site affordable housing (or exceptionally where such housing is provided off-site) will be provided in perpetuity. Affordable Private Rent Housing must be provided in perpetuity.

### APPENDIX 3: READING AFFORDABLE RENT LEVELS 2020

‘Reading affordable rents’, which is the capped rental level for the rented portion of an on-site affordable housing contribution (see paragraphs 4.5 to 4.10), is set at 70% of market rents. The tables below set out what that would equate to at 2019-20 levels.

The rents below are only relevant at the time of publication. The Council will publish a revised schedule on its website on an annual basis to guide applicants and developers.

Size	Current market rent (median)		Reading affordable rent	
	Per month	Per week	Per month	Per week
1-bed	£823	£189.92	£576.10	£132.94
2-bed	£1,101	£254.08	£770.70	£177.86
3-bed	£1,300	£300	£910	£210
4-bed	£1,700	£392.31	£1190	£274.62

## APPENDIX 4: CALCULATION FOR PROFIT SHARE APPROACH TO DEFERRED CONTRIBUTIONS

This appendix sets out a standard calculation to use where a profit share approach is to be used to calculate a deferred contribution for a development where the affordable housing contribution has been reduced on viability grounds.

### Calculation of deferred contribution (X)

$$X = (((A + B) - C) - ((D + E) - F) - P) \times 0.5$$

A = GDV achieved on sale/lease of 90% of residential units and GDV from other parts of the development sold/let and other income receipts (£)

B = Estimated GDV for parts of the development that are yet to be sold/let and other income sources (£)

C = GDV determined as part of the assessment of viability at the time planning permission was granted (or as determined in previous review) (£)

D = Build costs incurred at the time of review (£)

E = Estimated build costs for remainder of the development (£)

F = Total build costs determined as part of the assessment of viability at the time planning permission was granted (or as determined in previous review) (£)

P = (A + B - C) \* Y; Developer profit on change in GDV (£)

Y = Developer profit as a percentage of GDV as determined at the time planning permission was granted (%)

#### Notes:

*(A + B) - C = The change in GDV from the grant of planning permission (or previous review) to the late stage review (£)*

*(D + E) - F = The change in build costs from the grant of planning permission (or previous review) to the late stage review (£)*

*P = Developer profit on change in GDV (£)*

*0.5 = Any surplus profit, after deducting the developer profit (P), will be shared equally between the developer and the Council, with the Council share being used for the provision of affordable housing within Reading*

### Calculation of deferred contribution cap (Z)

A cap (Z) will be applied to the deferred contribution to ensure that it, in combination with the already agreed affordable housing contribution, does not exceed a policy-compliant levels of affordable housing. This cap will be calculated as follows:

$$Z = ((A + B) \times 0.5) \times G - H$$

A = GDV achieved on sale/lease of 90% of residential units and GDV from other parts of the development sold/let and other income receipts (£)

B = Estimated GDV for parts of the development that are yet to be sold/let and other income sources (£)

G = relevant proportion to achieve policy compliance, depending on the size of scheme. For schemes of 10 dwellings or more, G is 0.3. For schemes of 5-9 dwellings, G is 0.2. For schemes of 1-4 dwellings, G is 0.1.

H = The financial value of the existing affordable contribution that has already been agreed either at planning permission stage or at an earlier viability review.

**APPENDIX 5: CHECKLIST FOR VIABILITY ASSESSMENT OF SITES OF 10 DWELLINGS OR MORE**

INFORMATION REQUIRED	COMMENTS	✓
<b>BASIC INFORMATION</b>		
Site plan with building footprints	At 1:500	
Gross and net site area	In Hectares (ha)	
Schedule of existing floorspaces	Areas measured and provided in accordance with the RICS Code of Measuring Practice, specifying both NIA and GIA	
Schedule of unit numbers and sizes	Including number of bedrooms and other habitable rooms	
Summary case of why provision of a policy-compliant level of affordable housing cannot be provided.	Short summary using bullet points where appropriate	

<b>VIABILITY FACTORS</b>		
<b>DEVELOPMENT VALUE</b>		
Value of private sale units	Estimated achieved values, for scheme and individual dwellings. Two independent valuations supported by analysed relevant market sales evidence of genuinely comparable properties.	
Value of private rental units (for build to rent developments)	Estimated capitalised net rental income. This should be supported by relevant evidence of market lettings of genuinely comparable properties and analysed comparable market sale of rental investments.	
Value of the affordable housing provision, where relevant, together with tenure assumptions and calculation of any commuted sum	Assumptions as to the proposed unit types, tenures and values of providing the affordable housing or the financial contribution proposed including details of tenure assumptions and evidence or estimates of RP offers where appropriate. Detailed assumptions adopted in computing the value of the affordable units should also be provided including rents, yields, discount period, allowances and deductions sufficient to reproduce the valuation.	
Details of any grants/non developer financing towards affordable housing provision	e.g. Homes England or local authority grants, charitable funding, direct and indirect funding from the partner registered housing provider	
Other values generated by the scheme	e.g. the value any non-residential uses, any ground rents, car parking, temporary income, etc.	
Gross development value (GDV)	The total of items above.	
Marketing and sales costs and fees	Estimated fees for property agents, marketing, legal fees etc	
Net development value	GDV minus marketing and sales costs	

RESIDUAL LAND VALUE		
Estimated construction costs	BCIS costs or, if higher, supported by Tender costs or QS schedule. should be accompanied by a full elemental cost plan. Include contract related fees and itemised/defined 'abnormals'. Include any costs of complying with policy, e.g. sustainability standards, SuDS etc.	
Itemised preliminary costs	Site specific costs e.g. demolition, and other works arising from ecological, geotechnical, archaeological and other site investigations, decontamination, stabilisation, land forming/raising, infrastructure and servicing, site set up and contractor/ contract preparation. These would be expected in normal circumstances to be reflected within the purchase price. Should be verified by independent cost consultants.	
Contingency	A development contingency allowance to cover unforeseen costs.	
Professional fees presented under each respective heading	All related professional fees including architects, planners, engineering, QS, ecologists, arboriculturalists, project manager, CDM etc., individually listed and costed.	
Planning costs as advised by the LPA	Policy compliant costs under Section 106 agreements and CIL unless otherwise advised	
Financing details	Following valuation convention it is expected the scheme appraisal will reflect an assumption of 100% debt finance reflecting a single overall interest rate.	
Estimated profit	It is expected that profit will be expressed in terms of a percentage return on GDV and where more than one use is in the proposal it is expected relevant rates will be applied to each element to reflect the different levels of risk involved including affordable housing.	
Residual land value	The residual land value, i.e. the gross development value minus the costs set out above. There should be a fully detailed scheme appraisal showing the computation which generates the residual value.	



<b>BENCHMARK LAND VALUE</b>		
Current/Existing Use Value	Value of site in its current use, prior to the deduction of land related costs, supported by an independent valuation, including fully justified assumptions, copy leases etc where appropriate and a fully reasoned justification for the land owner premium proposed.	
Land costs	Including legal and agent's fees, site promotion, taxes and duties, together with any exemptions or tax-efficient delivery vehicles. These should be based on the land value benchmark not price paid for the site.	
Premium	Assessed premium to landowners for retaining site in current use.	
Benchmark Land Value	<p>The current use value less costs and profit.</p> <p>This should in most circumstances be based on an EUV plus approach. AUV approach will only be accepted where these can be supported by a relevant planning consent, or can demonstrate to the satisfaction of the Council that the proposed use is fully compliant with the Council's prevailing policies. Where demand for the use can be evidenced and detailed reasons are provided why the applicant has chosen not to pursue this use. Analysis of market land transactions will only be considered useful as a cross check where it can be demonstrated that the transactions reflect the current policy background and are fully compliant with those policies. As such on sales of land with consent are likely to be suitable for this purpose.</p>	
<b>OTHER CONTEXTUAL INFORMATION</b>		
Land acquisition price	Including evidence of price paid.	
Details of purchase process	Details of process used, e.g. private treaty, open market bid, auction etc.	
Basis of purchase	Details of basis of purchase, e.g. outright purchase, option, contract etc.	
Terms of acquisition	Details of any terms of acquisition, e.g. subject to planning, soils, ground conditions survey, etc.	
Construction timescales, programme and phasing	Should include any proposed phasing, particularly where it would result in phased CIL payments.	
Detailed cashflow for the development	Showing the proposed phasing amounts and timings of all the income and expenditure forecasts and payments	

SUMMARY		
Residual value summary - policy compliant	Summary of calculation of residual value including policy compliant affordable housing contribution	
Residual value summary - as proposed	Summary of calculation of residual value including proposed affordable housing contribution	
Evidence of sensitivity testing	Evidence of sensitivity testing and checks being undertaken to verify the soundness of the judgements being taken on viability, e.g. different profit assumptions, comparisons with the sale price of land for similar development, etc.	
Comparison of residual valuation with benchmark site values	Site Value should equate to the market value providing that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan.	

**APPENDIX 6: CHECKLIST FOR VIABILITY ASSESSMENT OF SITES OF LESS THAN 10 DWELLINGS**

<b>INFORMATION REQUIRED</b>		<b>COMMENTS</b>	✓
<b>BASIC INFORMATION</b>			
Site plan with building footprints	At 1:500		
Gross and net site area	In Hectares (ha)		
Schedule of existing floorspaces	Areas measured and provided in accordance with the RICS Code of Measuring Practice, specifying both NIA and GIA		
Schedule of unit numbers and sizes	Including number of bedrooms and other habitable rooms		
Summary case of why provision of a policy-compliant level of affordable housing cannot be provided.	Short summary using bullet points where appropriate		
<b>VIABILITY FACTORS</b>			
<b>DEVELOPMENT VALUE</b>			
Value of private sale units	Estimated achieved values, for scheme and individual dwellings. Two independent valuations or benchmarked against Land Registry values.		
Other values generated by the scheme	e.g. the value any non-residential uses, any ground rents, car parking, temporary income, etc.		
Gross development value (GDV)	The total of items above.		
Marketing and sales costs and fees	Estimated fees for property agents, marketing, legal fees etc		
Net development value	GDV minus marketing and sales costs		
<b>RESIDUAL LAND VALUE</b>			
Estimated construction costs	BCIS costs or, if higher, supported by Tender costs or QS schedule. Include contract related fees and itemised/defined 'abnormals'. Include any costs of complying with policy, e.g. sustainability standards, SuDS etc.		
Itemised preliminary costs	Site specific costs e.g. demolition, and other works arising from ecological, geotechnical, archaeological and other site investigations, decontamination, stabilisation, land forming/raising, infrastructure and servicing, site set up and contractor/ contract preparation. These would be expected in normal circumstances to be reflected within the purchase price.		

Contingency	A development contingency allowance to cover unforeseen costs.	
Professional fees presented under each respective heading	All related professional fees including architects, planners, engineering, QS, ecologists, arboriculturalists, project manager, CDM etc., individually listed and costed.	
Planning costs as advised by the LPA	Policy compliant costs under Section 106 agreements and CIL unless otherwise advised	
Financing details	Following valuation convention it is expected the scheme appraisal will reflect an assumption of 100% debt finance reflecting a single overall interest rate.	
Estimated profit	Basic estimated profit	
Residual land value	The residual land value, i.e. the gross development value minus the costs set out above. There should be a fully detailed scheme appraisal showing the computation which generates the residual value.	

<b>BENCHMARK LAND VALUE</b>		
Current/Existing Use Value	Value of site in its current use, prior to the deduction of land related costs.	
Land costs	Including legal and agent's fees, site promotion, taxes and duties, together with any exemptions or tax-efficient delivery vehicles. These should be based on the land value benchmark not price paid for the site.	
Premium	Assessed premium to landowners for retaining site in current use.	
Benchmark Land Value	<p>The current use value less costs and profit.</p> <p>This should in most circumstances be based on an EUV plus approach. AUV approach will only be accepted where these can be supported by a relevant planning consent, or can demonstrate to the satisfaction of the Council that the proposed use is fully compliant with the Council's prevailing policies. Where demand for the use can be evidenced and detailed reasons are provided why the applicant has chosen not to pursue this use. Analysis of market land transactions will only be considered useful as a cross check where it can be demonstrated that the transactions reflect the current policy background and are fully compliant with those policies. As such on sales of land with consent are likely to be suitable for this purpose.</p>	

<b>OTHER CONTEXTUAL INFORMATION</b>		
Land acquisition price	Including evidence of price paid.	
<b>SUMMARY</b>		
Residual value summary - policy compliant	Summary of calculation of residual value including policy compliant affordable housing contribution	
Residual value summary - as proposed	Summary of calculation of residual value including proposed affordable housing contribution	
Comparison of residual valuation with benchmark site values	Site Value should equate to the market value providing that the value has regard to development plan polices and all other material planning considerations and disregards that which is contrary to the development plan.	

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