

CABINET

8 February 2005

WINCHESTER DISTRICT KEY WORKER HOUSING STRATEGY

REPORT OF DIRECTOR OF HEALTH & HOUSING

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RECENT REFERENCES:

CAB1002 – Winchester District Key Worker Housing Strategy, 19 January 2005

EXECUTIVE SUMMARY:

CAB1002 (Cabinet, 19 January 2005) contained an earlier draft of this report which was deferred at that meeting to allow additional points to be take on board regarding strengthening the Policy Statements (highlighted in bold) and inclusion of a glossary of terms. This report supersedes the previous one and takes into account the various policy provisions.

This report addresses some of the issues arising from the district's growing key worker housing problem. Throughout much of the South-East public service employers are finding recruiting and retaining key staff an increasing problem. Added to which high house prices in the Winchester District have led to what has been called a 'key worker' problem, acknowledged by Government, whereby groups such as nurses and teachers are unable to access housing within reasonable reach of their workplace.

The main objectives for a Winchester District Key Worker Housing Strategy are:

- To identify the priority key worker groups for Winchester.
- To maximise key worker resources for Winchester District.
- To enable a range of key worker housing to be developed.
- To support and assist Swaythling Housing Society as Key Worker Living zone agent.

RECOMMENDATIONS:

1. That the Key Worker Housing Strategy shown at Appendix 1 be agreed for publication.
2. That the Key Worker Housing Action Plan shown in Appendix 2 be agreed.
3. That the Director of Health & Housing in consultation with the Portfolio Holder for Housing be authorised to agree any change to the groups of employees which form the Priority Group Two, i.e. the Key Workers who provide essential public services in the Winchester District but who fall outside the Government's definition.
4. That in maximising resources for Key Worker housing, a report on the outcome of adopting more flexible approaches to the use of S.106 agreements, in the light of new PPG3 guidance, should be brought back to Cabinet within 12 months of any change.

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### WINCHESTER DISTRICT KEY WORKER HOUSING STRATEGY

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#### DETAIL:

##### 1 Introduction

- 1.1 Recently key worker housing has become a high-profile issue with growing problems experienced throughout much of the South-East in recruiting and retaining key staff providing essential services to local communities. High house prices in the Winchester District have led to a problem, acknowledged by Government, whereby groups such as nurses and teachers are unable to access affordable housing within reasonable reach of their workplace.
- 1.2 The Government's Sustainable Communities Plan announced that national investment in key worker housing will total £1 billion. This translates into £27.5m of resources for Hampshire over the next 2 years to provide 650 homes for key workers.
- 1.3 The main focus of this funding is to provide assistance to front-line services, such as health workers and teachers, but the Government has included other groups such as social workers and probation officers who will be eligible for assistance under their new 'Key Worker Living' scheme.

##### 2 Key Worker Housing Strategy

- 2.1 In response to the Government initiative and concern over local difficulties, the Key Worker Housing Strategy has been developed to outline the City Council's response. The main objectives for the Winchester Key Worker Housing Strategy are:
  - To identify the priority key worker groups for Winchester based on assessment of local need.
  - To maximise resources for the Winchester District for the development of affordable housing for these key workers.
  - To enable the development of a range of key worker housing that will meet the recruitment and retention needs of employers and the key workers they employ.
  - To support Swaythling Housing Society (SHS) as the Hampshire and IOW lead for access to Government funding in their work as the single point of contact for employers and key workers.
  - To assist the SHS to develop an effective partnership between the Local Authorities, Employers and Housing Associations to deliver the Key Worker Housing Strategy.
- 2.2 In developing an element of the first of the objectives, identifying local key worker groups for the district who would otherwise be ineligible for Government Assistance, a survey was conducted of all North Hants Chamber of Commerce and Industry

(NHCCI) members, the main public sector employers, including the City and County Council, Public Transport Companies, Police, and organisations working in Health and Education. Additionally a random sample of other private sector employers throughout the district were contacted to ensure a geographically representative population. The aim was to assist in identifying specific staff recruitment and retention problems and attempt to gauge the level of need in the district for affordable housing for local key workers.

2.3 As a further part of the Strategy's development, the proposals have also been discussed and commented on by the following groups all of whom have been involved in and assisted with the drafting:

- Corporate Housing Enabling Group
- Corporate Management Team
- Local Strategic Partnership

2.4 Now in its finalised form the Key Worker Housing Strategy is before Cabinet for its consideration.

### 3 Key Worker Housing Policy

3.1 The Key Worker Strategy, attached at Appendix 1, addresses the key areas of policy and principles that are recommended to the Council for adoption. These include:

- Defining who are Key Workers in Winchester. It is suggested that there are two groups of workers who provide essential public services who should be considered for assistance. Priority Group One is the specific group that comes within the Government definition and includes Teachers and Nurses. Those not part of the Government Scheme, termed Priority Group Two and currently would include public transport drivers, child minders and police civilians amongst others, should also be eligible for assistance. The workers included in both Priority Groups could change in the future, but it is recommended that authority to change the Priority Group Two definition, the locally determined group, be delegated to the Director of Health & Housing in consultation with the Portfolio Holder for Housing in the light of changing circumstances.
- The involvement of employers, encourages them to help support their key staff.
- Achieving additional Key Worker Housing through the planning system.

3.2 In respect of this latter bullet point, it is suggested that the Council should consider a more flexible approach to using S.106 agreements. The main need in this area is for affordable rented housing but the type of tenure will be dependent on the amount of Social Housing Grant received. If insufficient Grant or no Grant is received then the tenure will inevitably cascade down to one of the forms of shared ownership. This cascade approach is mirrored in the draft PPG3 note which is likely to come into effect in the next few months. Given the potential for Grant to be limited and tenure skewed towards shared ownership models, it would be appropriate to monitor the outcome of a more flexible approach and report back to Cabinet on the type of Key Worker housing that is being developed.

### 4 Conclusion

4.1 The problem of a shortage of Key Worker Housing is far-reaching it is an increasing problem both nationally and locally. Local authorities have a key role to play in

helping to address the housing problems faced by key workers. No single agency can solve the problem on its own but the proposed Strategy will help to ensure that the City Council can support local key workers and SHS, the zone agent, in addressing the key worker housing shortfall.

#### OTHER CONSIDERATIONS:

##### 5 CORPORATE STRATEGY (RELEVANCE TO):

5.1 The report supports at least four key parts of the City Council's Corporate Strategy:

5.2 Homes and Environment:

To provide affordable homes in safe and pleasant environments for all sectors of our community, we will make best use of Council owned land and use our planning policies to secure sufficient land and funding to provide, in partnership, a full range of high quality homes for rental or ownership to meet the needs of our residents.

5.3 Green Agenda:

To minimise pollution and waste and to make efficient use of resources, we will require sustainable transport plans (in conjunction with HCC) to try and reduce commuting.

5.4 Social Inclusion:

To ensure that everyone can play a full part in the life of their community.

5.5 Economic Prosperity:

To achieve a strong and diverse urban and rural economy which builds on local strengths and offers opportunities for all.

##### 6 RESOURCE IMPLICATIONS:

6.1 There are no significant resource implications concerning the proposed strategy as the recommendations are enhancements of existing service provision. There are training implications for staff but these can be met within existing resources and can be incorporated within training programmes.

##### 7 BACKGROUND DOCUMENTS:

None

##### 8 APPENDICES:

Appendix 1 – Key Worker Housing Strategy (revised)

Appendix 2 – Key Worker Housing Strategy – Action Plan