

There's no place like home

South Kesteven's Housing Strategy 2017 – 2021

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Executive Summary

There aren't many things more important to our residents than their homes, and what's important to our residents is important to us.

We know how many houses need to be built and we have a good idea where most of that housing will go, we know that we need to work with some landlords to raise standards in the private rented sector so that homes are safe, and we know that in keeping the streets clean, town centres flourishing and our cultural offer blossoming we can attract – and keep – residents in South Kesteven.

This document sets out how we will do this.

Leader

Cabinet Member

Introduction

South Kesteven is an attractive, prosperous and safe place to live, work and visit, and is consistently rated by Halifax surveys as one of the best rural areas to live in the country. Covering over 365 square miles, the district has four distinctive market towns and over 80 villages.

People are attracted to the area because of its excellent access to the A1 and the East Coast Mainline (London is only an hour away), its relatively inexpensive housing and high achieving schools. The district is a healthy place to live with an active labour market and unemployment levels well below the East Midlands average.

We have ambitious annual targets for housing delivery across the district, with plans underway to support the delivery of the Spitalgate Garden Village near Grantham. This site is one of just fourteen locations selected by Government to access a £6 million fund to support the delivery of 3700 mixed tenure homes alongside a business park creating 4000 new jobs and opportunities for companies to grow.

However, we have some significant housing challenges; some 21% of our population is aged over 65, and this is expected to grow to 31% by 2037; demand for homes continues, although housing is becoming gradually more unaffordable for many people; the quality of existing rental homes is often not good enough; there are pockets of deprivation, with some aspects more apparent in rural areas with limited access to services.

Since our previous housing strategy there have been a number of legislative and policy changes and it is now timely to review the current strategy and establish new priorities to address the changing environment in which we are working.

Vision

At the heart of the strategy is the vision that homes are a fundamental part of our lives. Houses should be healthy, good quality, sustainable, and secure, providing the environment for people to thrive and achieve. Good housing in vibrant and attractive towns and villages supports a strong economy and creates a community where people want to live, work and invest.

Four theme areas have been identified and developed, which will help us to address the challenges and achieve the best possible housing outcomes.

The theme areas are:

1. Facilitate the delivery of new housing across a range of tenures
2. Enable those whose independence may be at risk to access housing (including their current home) which meets their needs
3. Encourage, support and regulate the private rented sector to provide well managed, safe homes
4. To help meet the housing needs of residents

Achievements

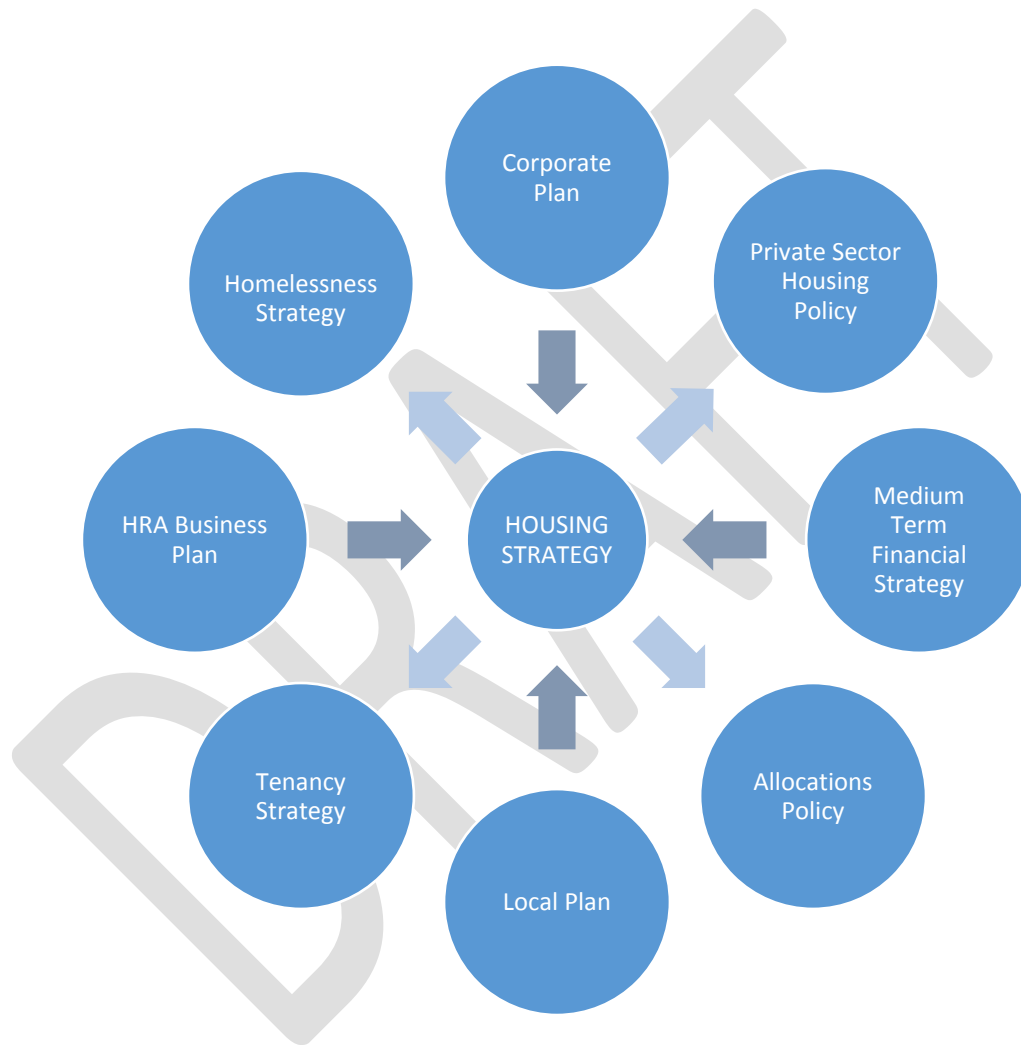
Since the start of our previous Housing Strategy (2013) the economic climate has presented a range of challenges. However, the following are some of the key achievements delivered to date:

- 1547 net new homes delivered
- 343 new affordable homes delivered
- Retrofitted external wall insulation to 770 council homes
- Improved the homes of 213 vulnerable owner occupiers through grants
- Funded disabled adaptations to 243 private sector homes
- Maintained low levels of rough sleeping
- Reduced significantly our use of Bed and Breakfast accommodation
- Helped 51 households to move from overcrowded housing
- Delivered a mixed use housing and commercial development in Bourne
- Secured Government funding to support the Spitalgate Garden Village

Links to other strategies

The housing strategy works alongside existing plans and strategies, providing a framework for the delivery of our housing priorities.

Importantly, the Council cannot deliver this strategy in isolation, and while we have a central role, we need the support and co-operation of all those involved in building, providing and managing homes in the district to deliver the best outcomes for our residents.



A Snapshot of South Kesteven

Our residents

- South Kesteven has a population of 138,000. The largest of the Lincolnshire districts.
- The population is predicted to increase by 19% to 159,120 by 2036.
- 61% of our population is of working age, with an upward trend in the number of people who are 65+ years.
- Life expectancy is 84 years for females and 80 for males.
- There are approximately 147 people per km², marginally more 'dense' than the Lincolnshire average of 124 people per km².
- Households are becoming smaller with 28% of households being single.
- The median gross full time pay earned by a person living in South Kesteven is £468 per week.
- The number of people applying as homeless has risen by a fifth since 2010/11.
- Rough sleeping remains low, estimated at 0.02 per 1000 households in 2016.
- There are around 3,650 people on our housing register, of which around 875 have an evidenced housing need.
- Levels of disability are increasing at the same rate as the rise in population, however, the vast proportion of disabled people live in unadapted housing.

Our homes

- There are around 62,400 households in South Kesteven, expected to increase to over 71,000 by 2036.
- 70% of households own their own home, 16% rent privately and 14% live in a socially rented home. The private rental sector has grown from 11% in 2009, while owner occupation has reduced by 6%.
- It is estimated that 17% of owner occupied and 25% of private rented homes have a serious home hazard.
- Approximately 26% of private rented homes will be affected by minimum energy efficiency standards being introduced from 2018.
- The rural nature of the district means that over 10,000 (17%) of homes are not connected to the gas network, reducing fuel choice and impacting on affordability.
- Around 2% of homes in the district have been empty for more than 6 months.
- Over 50% of those on our housing register are in need of 1 bedroom accommodation.
- The use of temporary accommodation is increasing due to the lack of affordable housing solutions locally.

Our housing costs

- The median house sale price in 2016 was £180,986 (up from £149,000 in 2009), this ranges from around £250,000 for a detached house to £95,000 for a flat/maisonette.
- The median house price is 7.35 times the median (residence based) gross earnings (2016) This ratio shows an upward trend and is the highest in Lincolnshire.

- The average monthly private rent in 2015-16 was £609, an increase of 3% on 2014/15. Rents vary across the district, with levels in Stamford typically higher than in Grantham.
- Ten percent of households are in fuel poverty according to the low income/high cost definition, with rural communities experiencing significantly higher concentrations.
- Residents are using the Help to Buy Equity Loan Scheme for new homes, with 394 completed between April 2013 and September 2016, of these 78% were first time buyers, helping to stimulate housing supply.

Our economy and growth

- South Kesteven has a projected need for an additional 700 new homes per annum. 646 new homes were completed in 2014-15, of which 92 were affordable.
- There were 11,305 house sales in the district in 2015, of these the majority were of detached properties (45%), followed by 25% semi-detached, 23% terraced and 7% flats/maisonettes.
- Our grammar schools and academies are high performing with over 76% of students having good GCSE's. However only 30% of our residents are educated to degree level and above, which is lower than the regional and national averages of 35% and this reflects in elements of our local jobs market.
- Employment levels are high, with the unemployment claimant rate standing at 3.6% of working age population in comparison with 4.8% nationally.
- Employment is forecast to grow by 16% during the period 2011 to 2036.
- There are currently 5795 enterprises in the district, a 4.4% increase on 2015. 98% of these enterprises have less than 50 employees.

Our health and wellbeing

- South Kesteven is ranked 223 out of 326 districts according to the Indices of Deprivation 2015. Although there are disparities with the Earlesfield and Harrowby Wards being the most deprived and Stamford St Johns being the least deprived area in the district.
- About 14% of children live in low income families. The Child Poverty Act 2010 set a target of 10% by 2020.
- At 17.1 (period August 2012 – July 2015), the ratio of excess winter deaths to average non-winter deaths is not significantly different from the England average.
- Overall life expectancy is higher than the England average; however, life expectancy for men is 5.9 years lower and for women 6 years lower in the most deprived areas of the district than in the least deprived area (2013-2015).
- 7,652 adults aged over 65 report having a long term illness which limits day to day activities a little, while 6,298 report this as a lot.
- Fourteen percent of those with an evidenced need on the housing register are living in crowded conditions.

Challenges

The recent Government Housing White Paper “Fixing our broken housing market” published in February 2017 represents a key shift in Government policy focus towards a tenure neutral approach to increasing the pace and volume of housing supply.

We are committed to improving the lives of our residents alongside creating opportunities for growth and prosperity for businesses and local people. However, we recognise that to build on our successes we have challenges to overcome.

Delivering new homes

Challenge Statement: There is a national shortage of new homes, which means life choices are being reduced and opportunities to expand the economy are being missed.

The forecast increases in local population and the Government target to build 200,000 homes nationally by 2020 means that we will need a range of housing options which will support housing supply and economic growth. While we have a sufficient land supply, unlocking sites and working with developers to encourage the development of housing which meets the future needs of our residents will be a key part of our future role.

As well as building more homes, it is important that we maximise the use of existing homes by encouraging empty homes back into use. As a stock retaining authority South Kesteven District Council has around 6,130 properties. Under occupation is a barrier to better utilisation, we need to develop a better offer for people enabling them to downsize to homes which better meet their needs.

Key outcomes to address these challenges:

- The development of high quality, sustainable, housing that reflects the character and increases the desirability of South Kesteven as a place to live.
- Support the up-front delivery of essential infrastructure on key development sites.
- Support Government initiatives to encourage developers to bring forward housing delivery housebuilders who are not delivering fast enough.
- Ensure that planning processes encourage land owners and developers to bring potential housing sites to the market with the required infrastructure in place.
- Making the best use of existing property that can quickly be converted to housing.
- Encourage the development of a skilled workforce that can meet the housing delivery needs of the district.
- Disaggregation of large housing sites to enable smaller developers to deliver at pace.
- The availability of a sustainable rental market that is a genuine, affordable, alternative to home ownership.
- The need for a tailored approach to housing delivery; Bourne, Market Deeping, Stamford, Grantham and the rural areas have very different markets and these may require different approaches to housing delivery.

Ensuring quality housing

***Challenge Statement:** The private rented sector (PRS) makes up 16% of our housing stock, the sector is facing unprecedented changes in legislation that aims to raise standards and drive out “rogue” landlords.*

Poor housing conditions have a negative impact on health and wellbeing. While many people choose the private rented sector for its flexibility, others who would have previously purchased a home or rented social housing are increasingly relying on this option. This has the effect of increasing rents and shrinking the cheaper end of the market where people accept poorer quality housing at a price they can afford. We will need to utilise new legislation and take timely action to continue to protect tenants and their families against rogue landlords and ensure that the energy efficiency of homes meets new minimum standards to enable them to continue to be let and be affordable to live in.

Key outcomes to address these challenges:

- Fully-informed landlords and letting agents who know what they have to do to improve the quality of their properties.
- Improvement in the PRS market, but without creating so much pressure that tenants are forced out of PRS..
- Protection for tenants who often have no choice but to settle for lower quality rental property.
- Develop new ways of engaging with the sector to enable access for people on low income, on benefits or who are under 35 years old.

Providing choice for older and disabled people

***Challenge Statement:** Life expectancy is increasing, but as people age they are progressively more likely to live with illness, disability and frailty and need additional support*

The increasing ageing population puts an increased demand on a particular sector of the housing market including specialist and supported housing. Increasing emphasis is being placed on re-designing service offers from health, social care, support and adaptation services to help residents who wish to remain in their own home to live independently or to move to more suitable accommodation. Many are keen to move to more suitable homes but there appears to be a shortage of accommodation that meets people's needs and expectations. Traditional sheltered housing offered by social housing landlords does not appeal to everyone, while the market for “new generation” retirement homes is slow to develop.

Key outcomes to address these challenges:

- Enable households access to accommodation in properties that meet their needs, and to facilitate them moving to more suitable properties where required.
- To enable people to live independently, but with appropriate support that can be called-on when required.
- Encourage an appropriate provision of high-quality, skilled, carers who are able to support independent living.
- Encourage the provision of affordable places in care homes.
- Utilise our strategic partnerships to clarify the range of affordable housing required across the district to meet the needs of people with learning disabilities, mental health problems and physical disabilities.

Supporting housing need

***Challenge Statement:** It is becoming increasingly difficult to source and secure affordable accommodation for people on lower or insecure incomes to meet their needs, and for those households to sustain that accommodation.*

The Welfare Reform Act is introducing numerous changes that affect the income people receive, meaning that more households are experiencing difficulties in meeting their housing costs. The majority of people under 35 living in private rented accommodation can only receive Local Housing Allowance (LHA) for a room in a shared property. From April 2018 this will extend to social rented homes, this is likely to result in increased homelessness amongst this population if they are unable to pay their rent. In addition to this, the “benefit cap” will reduce the maximum amount a non working, non disabled household can receive in state benefits to £20,000 per year (£13,400 for single adults). The lack of shared accommodation in the district combined with these changes will affect the ability of these households to find affordable accommodation and pay rent.

The Government is now considering removing housing benefit for 16 to 18 year olds, this will mean they will have to remain with their families for longer and will take longer to become independent.

The Homeless Reduction Act 2017 introduced new duties on local authorities from April 2017 to assess, prevent and relieve homelessness. Intervening early before a crisis occurs is a key focus and will require partnership working to enable specific targeted work with those who we anticipate will face difficulties with effective support. This will have a considerable impact on the work of the Council.

The Government proposes to make changes to the funding of supported housing. It will be crucial to ensure a sustainable future for supported housing.

The Government remains committed to the ongoing removal of the spare bedroom subsidy and is considering applying the same approach to those of pensionable age (who were previously exempt).

Initial work with the NHS and other statutory partners has begun to clarify the need for a range of affordable housing to be provided across the district as an alternative to hospital or residential care. We need to better understand the requirements for people with learning difficulties, those with mental health problems or physical health problems.

Key outcomes to address these challenges:

- Maximise the impact of the Council's investment in affordable housing by optimising the use of traditional, off-site and modular construction options on future development sites.
- Continue to deliver new Council Housing to help meet social housing need.
- Develop energy efficient homes for social and affordable housing to reduce fuel poverty.
- Lobby central Government on future policy development for the affordable housing sector to maximise resources available for future investment.

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