

## **Housing Strategy 2016-2020**

### **Research and Analysis Paper**

#### **National Context**

##### **Housing Strategy for England**

In November 2011, the Government published 'Laying the Foundations: A Housing Strategy for England'. It presents the Government's intended direction of travel for housing; its role in the wider economy and its contribution to social mobility. It sets out ideas on the shape of housing provision that the Government wants to see which involve the primacy of home ownership; social housing as welfare; and an increasing role for the private rented sector.

The strategy introduced new approaches and initiatives including:

- A mortgage indemnity scheme for purchase of new build property
- Support for locally led large-scale development
- Further efforts on public sector land release
- Provision of development finance for stalled sites
- Further support for custom build (self-build) housing
- The next steps for council housing finance reform
- Intentions on reinvigorating 'Right to Buy'
- Clarity on guidance on allocation of social housing
- Support for investment in new private rented sector homes
- Additional financial support for tackling empty homes
- Consideration of ways to improve housing options for older people

##### **Local Authorities Role in Housing Supply**

The Autumn Statement 2013 announced that the Government would launch a review into the role that local authorities can play in housing supply. The aim of the review was to explore the role councils, both stock and non stock holding, could play going forward in increasing supply of housing to help meet the housing needs of their local population.

Natalie Elphicke and Keith House were appointed as the reviewers in January 2014. Their final report, published in January 2015, highlighted that councils could achieve much more by taking a more central role in providing new homes. The key recommendation is that councils change from being statutory providers to being Housing Delivery Enablers.

The Local Government Associations (LGA's) 'Investing in our nation's future' reports that some Councils have already set up their own housing companies or exploring the potential to do so, offering flexibility on tenure and rent.

Furthermore, APSE and TCPA have published a joint research report entitled, 'Housing the Nation: Ensuring councils can deliver more and better homes,' in which they argue that by

investing in housing, councils can help to create a basis for social housing renewal, and bring jobs, skills and regeneration to local communities.

The report highlighted that after the Second World War, 300,000 new homes were delivered each year by the public and private sector, of which 90,000 were built by local councils. Since the 1970's however, the number of houses built has declined. In 2013, just over 2,000 new council homes were built, 1,000 of these in England.

## **Planning & Housing Reforms**

The National Planning Policy Framework (NPPF) was published on 27 March 2012 and sets out the Government's planning policies for England and how these are expected to be applied. It is designed to make the planning system less complex and more accessible, to protect the environment and to promote sustainable growth.

In accordance with the NPPF, local planning authorities have a duty to meet the full, objectively assessed needs for affordable housing; to plan for a mix of housing and identify the tenure and range of housing that is required; to prepare a plan which is based on adequate, up-to-date and relevant evidence; and to assess policies to ensure their cumulative impact does not put the implementation of the Plan at serious risk.

The NPPF highlights the Strategic Housing Market Assessment (SHMA) as a key piece of evidence in determining housing needs.

On 30<sup>th</sup> May 2013, Permitted Development Rights were introduced in England to authorise a change of use from an office use (Class B1(a)) to a residential use (Class C3), without having to lodge a planning application. This right will expire on 30<sup>th</sup> May 2016, when the Government will consider whether to extend the period.

The Government remains committed to establishing shared ownership as a route to home ownership, and making it more attractive to both households and investors. To stimulate further investment in shared ownership, the Government will extend the scope of Stamp Duty Land Tax (SDLT) multiple dwellings relief so that 'lease and leaseback' arrangements with housing associations on shared ownership properties also attract the relief.

## **Home Ownership**

The Government is committed to supporting people who aspire to become homeowners. Recognising that increased deposit requirements had left many hardworking households unable to get onto the housing ladder, the Government took decisive action by introducing the 'Help to Buy' scheme in 2013. The types of home ownership schemes are:

### Help to Buy: equity loans

Equity loans are open to both first-time buyers and home movers on new-build homes in England with a purchase price up to £600,000. First-time buyers need to contribute at least 5% of the property price as a deposit. The Government will give a loan for up to 20% of the price, with the first-time buyer requiring a mortgage of up to 75% to cover the rest. First-time buyers won't be charged loan fees for the first 5 years of owning their home.

### Help to Buy: mortgage guarantees

Mortgage guarantees help people buy a home with a deposit of 5% of the purchase price. It's open to both first-time buyers and home movers for new-build and older homes in the UK with a purchase price up to £600,000.

### Shared ownership schemes

Shared ownership schemes are provided through housing associations. Purchasers buy a share of the home (25% to 75% of the home's value) and pay rent on the remaining share. Shared ownership properties are always leasehold. The scheme is open to first-timer buyers or those who used to own a home, but can't afford to buy one now, whose household earns £60,000 a year or less (or £71,000 a year or less in London for a 1 or 2 bedroom property, or £85,000 a year or less in London for a 3 or more bedroom property).

There is also help available from another home ownership scheme called 'Older People's Shared Ownership' if you're aged 55 or over. It works in the same way as the general shared ownership scheme, but applicants can only buy up to 75% of their home. Once they own 75% they won't have to pay rent on the remaining share. Home Ownership for People with Long-Term Disabilities (HOLD) can help people buy any home that's for sale on a shared ownership basis if they have a long-term disability.

### Starter Home Initiative

The Starter Home Initiative was created and officially launched in February 2015 with the aim of "unlocking home ownership for a generation". It aims to make 100,000 new build homes available for first time buyers under the age of forty with a discount of at least 20% of the property value

The move is the latest major push from the Government to get Britain building and help hardworking young people secure the dream of home ownership with potential discounts of around £100k per house.

With average house prices for first time buyers in England standing at around £218,000, a new Starter Home according to the Government, could save young first time buyers across the country an average of £43,000-helping to get them onto the housing ladder.

At the heart of the Starter Homes initiative is a change to the planning system. This will allow house builders to develop under-used or unviable brownfield land and free them from planning costs and levies. In return, they will be able to offer homes at a minimum 20% discount exclusively to first time buyers, under the age of forty. Currently, builders can face an average bill of £15,000 per home in Section 106 affordable housing contributions and tariffs, often adding tens of thousands to the cost of a site. Under the proposals, developers offering Starter Homes would be exempt from those Section 106 charges and Community Infrastructure Levy charges. The homes could then not be re-sold at market value for a fixed period – making sure that the savings are passed onto homebuyers.

### Help to Buy ISA

The Government announced in March 2015 a further expansion of the Help to Buy scheme. This expansion recognises that, despite the high loan to value mortgage market working well

due to the success of Help to Buy, many first time buyers are still struggling to save enough to put down a deposit for their first home.

The Help to Buy: ISA will be available through banks and building societies. It is designed to reward people that are working hard to save up for their first home. First time buyers that choose to save through a Help to Buy: ISA will receive a government bonus to help them make the critical first step on the housing ladder.

The bonus will represent 25% of the amount saved so, for the maximum monthly saving of £200, the government will contribute £50, with a maximum government contribution of £3,000 on £12,000 of savings. For basic rate taxpayers, this will be equivalent to saving completely free of tax for their first home. Accounts are limited to one per person rather than one per home so those buying together can both receive a bonus.

The Government's aim is to provide a scheme that offers a tax-free government bonus to help people who are saving up to buy a first home worth up to £450,000 in London or £250,000 anywhere else in the UK. Accounts can be opened for a period of 4 years from the start date of the scheme.

### **National Quality Technical Standards**

The Department for Communities and Local Government (DCLG) launched a review of the building regulations framework and voluntary housing standards in October 2012. The review aimed to consolidate and simplify codes, standards, rules, regulations and guidance in order to reduce unnecessary costs and complexities in the house building process.

On 27<sup>th</sup> March 2015, the Government launched the new approach and published a new set of streamlined national technical standards. One outcome from the review is dual level Building Regulations (Access and Water), which will give local authorities some choice to require developers to build to different standards than the minimum requirements. Furthermore, with appropriate evidence, local authorities can also use the new space standards which make up the new national technical standards. There will also be a new mandatory Building Regulation for security.

The optional regulations on access and water efficiency and the space standard can only be applied where there is a local plan policy based on evidenced local need and where the viability of development is not compromised. The space standard will replace existing space standards used by local authorities. It is part of the planning system, and not a building regulation.

It was also announced that the Code for Sustainable Homes could no longer be a requirement of planning conditions and that the Building Regulations would change so that energy requirements are set equivalent to level 4 of the code.

### **Affordable Housing**

The delivery of affordable homes across the country continues to be of extreme importance as buying a home is increasingly out of reach for many people. House prices are rising faster than average earnings and there are 1.7 million households on waiting lists for affordable homes across England. The number of people renting has doubled and the average first-

time buyer is now 35 years old. In some rural communities, where wages are low, homes have become unaffordable for people.

In order to achieve significant new supply within public spending constraints, the Government introduced the Affordable Homes Programme (AHP) in 2011.

The centrepiece of this programme is the new 'Affordable Rent' tenure, which consists of lower levels of capital subsidy, and higher levels of rent – set at up to 80% of market rent. Affordable Rent will form the principal element of the new supply offer. At the same time, new flexibilities were introduced to allow a proportion of existing social rent properties to be made available to-rent at an Affordable Rent, with the additional capacity generated from those re-lets applied to support delivery of new supply.

A further round of planning and housing reforms was announced in the Chancellor's Autumn Statement. The Autumn Statement included measures to extend affordable housing capital investment to 2018-19 and 2019-20, to ensure that on average **55,000** new affordable homes per year continue to be delivered.

### **Private Rented Sector**

The private rented sector is England's second largest housing tenure. The private rented sector has grown on average by 5.4% per annum since 1999 and now accounts for 19.4% (4.4 million) of households. In 1999 the private rented sector accounted for 9.9% (2.0 million) households. In 2012-13 the number of English households renting privately overtook households living within social housing for the first time since the mid-1960s.

In November 2014, the property consultancy Savills forecast that the private rented sector would grow by another 1.2 million households by 2019. The Government is keen to see the establishment of a professional private rented sector which will be able to give tenants the quality and choice they are looking for.

In 2012, the Government commissioned the Montague Review to look at how to remove barriers to long-term institutional investment in the private rented sector. It responded to its recommendations by launching a number of initiatives aimed at kick-starting the sector and the development of purpose built long-term market rental housing schemes (Build to Rent). The £1bn Build to Rent Fund, Private Rented Sector Debt Guarantee Scheme and Private Rented Sector Taskforce have stimulated considerable interest in the sector.

Local authorities can play a major part in providing renters with the homes they need by supporting the establishment of private rented sector in their areas. The Government published the guide: 'Accelerating Housing Supply and Increasing Tenant Choice in the Private Rented Sector: A Build to Rent Guide for Local Authorities' in March 2015 which outlines a series of practical options as to how local authorities can support the development of private rented sector homes and the benefits it can offer to local authorities. It also provides a number of case studies of build to rent schemes which are progressing with the support and innovation of their local authorities.

### **Welfare Reform**

The Welfare Reform Act introduces restrictions on how much Housing Benefit working-age households in social rented properties can claim from April 2013, based on the size of the

household. The Government estimates that the change of policy will impact on 670,000 households nationally – 32% of all working-age households in receipt of Housing Benefit. The policy change is focused on reducing the Government's benefit bill, increasing mobility in the social rented sector and making better use of the existing social housing stock.

The Local Housing Allowance has undergone many changes in the past 5 years - the reduction from 50<sup>th</sup> percentile of market rents to 30<sup>th</sup> percentile of market rents; an overall cap of £400 per week; increases linked to the Consumer Price Index (CPI) rather than the Retail Price Index (RPI) and single households under 35 years old restricted to the single room rate.

The spare room subsidy was introduced in April 2013. Working age social housing tenants in receipt of Housing Benefit with one spare room had their housing benefit cut by 14% and those with two or more spare bedrooms have seen a reduction by 25%

An overall benefit cap was also introduced in July 2013, limiting total working age benefits to £26,000 per year. This is further being reduced to £23,000. This puts particular pressure on larger families who have much higher housing costs.

The introduction of universal credit, which is currently being rolled out across the country, will see all working age benefits, (excluding Disability Living Allowance and Carer's Allowance) made in one single monthly payment, paid directly to the tenant. Tenants will be responsible for paying their rent to their landlord themselves, which may cause issues with some more vulnerable tenants.

## **Summer Budget 2015**

On 8<sup>th</sup> July 2015, the Chancellor, George Osborne, set out the first budget of the new Government – and the first for a majority Conservative Government in nearly two decades. The Chancellor promised a 'One Nation' budget for working people, with the focus on higher pay, lower tax and lower welfare. The Welfare Reform and Work Bill has also been introduced to parliament.

Some of the key measures relevant to housing include:

### Rent setting

- Reduction of rents in social housing by 1% a year for four years. This will be taken forward via the Welfare Reform and Work Bill and is expected to amount to a 12% reduction in average rents by 2020/21 compared to current forecasts.
- Households earning over £30,000 (£40,000 in London) and living in affordable housing will have to pay market rent, subject to a government consultation.

### Welfare and Work

- The household Benefit Cap will be reduced to £20,000 (£23,000 in Greater London).
- Automatic Housing Benefit (HB) entitlement will be removed for 18-21 year olds claiming Jobseeker's Allowance (JSA).
- Most working age benefits will be frozen for four years from April 2016. Child tax credits and working tax credit will also be frozen.
- The reforms will take place over a longer time period than previously announced with the ambition to implement all reforms by 2019/20.

- A National Living Wage (NLW) of £7.20 will be introduced in April 2016. The Government's ambition is for the NLW to increase to 60% of median earnings by 2020 – over £9 by 2020.

### Planning

- A commitment to speed up delivery of development on brownfield land through the introduction of a new zonal system.
- Encouraging authorities to get an up-to-date plan in place, and where they fail to do so, introduce provisions allowing the Secretary of State to intervene and write local plans in consultation with local people.

### Health, Care and Support

- Confirmation of the NHS Five Year Forward View and real terms increase in NHS funding
- A £3m fund to encourage innovative approaches to help people suffering from domestic abuse

### Tenancies

- The Government will review the use of lifetime tenancies in social housing with a view to limiting their use

### Energy

- The Government does not intend to proceed with the zero carbon Allowable Solutions carbon offsetting scheme
- The Government has decided against implementing the proposed 2016 increase in on-site energy efficiency standards, but will keep energy efficiency standards under review.

## **Housing Bill**

The Queens Speech 2015 announced that 'Legislation will be introduced to support home ownership and give housing association tenants the chance to own their own home'.

The housing bill, which contains a number of key Conservative election pledges, will include an extension of the Right-to-Buy scheme, allowing England's 1.3 million housing association tenants to purchase their homes with the same discounts offered to council tenants.

The main elements of the bill are:

- The extension of the Right to Buy to housing association tenants. The Government has pledged that properties sold to tenants will be replaced, one for one.
- Requiring councils to dispose of high-value vacant homes, which would fund the Right to Buy extension and construction of more affordable homes in the area. Remaining funds will be invested in a new Brownfield Regeneration Fund.
- The establishment of the "necessary statutory framework" to support the delivery of discounted Starter Homes to be offered exclusively to young first-time buyers, at a 20 per cent discount below their open market value.

- The bill would require local authorities to support custom and self-builders registered in their area in identifying suitable plots of land to build or commission their own homes.

In August 2015, Inside Housing reported that nearly 40% of all council flats sold under the Right to Buy scheme in England are now being privately rented. Figures revealed by 91 councils under the Freedom of Information Act show 37.6% of ex-council flats are likely being rented privately at market rents.

## **Health and Homelessness**

Preventing homelessness has obvious benefits for people's housing outcomes, but a recent review, 'Preventing Homelessness to Improve Health and Well-Being' conducted on behalf of Public Health England by Homeless Link provides further evidence about how acting early also reduces health inequalities.

The review identifies prevention activity developed in response to health and wellbeing needs, delivered by or in partnership with the wider health workforce.

The review highlighted that for people experiencing homelessness or prolonged periods of rough sleeping, the rate at which health problems occur increases rapidly. People experiencing 'single homelessness' are particularly affected by poor physical and mental health:

- 73% of people report a physical health problem, and for 41% this is a long term problem compared to 28% of the general population.
- 45% have been diagnosed with a mental health issue compared to 25% of the general population.
- Factors which contribute to unhealthy lifestyles such as smoking, and drug and alcohol use, are also more prevalent than the general population (rates of 77%, 39% and 27% respectively).
- Research also highlights higher rates of communicable health diseases such as TB; and higher rates of premature mortality among people experiencing single homelessness.

The final report published in July 2015 recommended development in the following three key areas to help put homelessness prevention at the heart of our efforts to reduce health inequalities.

- Stronger leadership and joint strategic working
- Access to advice and early intervention
- Improved data collection and evaluation

The 'Unhealthy state of homelessness: health audit results 2014' highlights the extent to which people who are homeless experience some of the worst health problems in society. The report uncovers the barriers many individuals face when it comes to getting treatment, as well as the impact of ill health on NHS A&E, hospital, mental health and substance misuse services.

Analysis of the latest data found that 77% of homeless people smoke, 35% do not eat at least two meals a day and two-thirds consume more than the recommended amount of alcohol each time they drink.

The data also reconfirms the strong links between health and somebody's housing situation. The report makes a number of recommendations under the following themes of Better care; Better commissioning; Better policy and Stronger inspection and accountability to improve the commissioning and delivery of services that prevent and treat the poor health experienced by homeless people.

## Local Context

### Local Demographics

The Borough of Maidstone covers some 40,000 hectares, and is home to some 61,460 households. Located in the heart of Kent, Maidstone Town is the County Town, and is an administrative, retail and leisure hub, with a large night time economy. The Borough enjoys good transport links to the coast and to London, and has a high rate of employment. It has a very mixed business sector with a large number of small to medium sized employers, with particular strengths in law, accountancy and the media.

The Borough was ranked 227<sup>th</sup> of the 326 local authorities in England in the 2010 Index of Multiple Deprivation (with 1 being the most deprived local authority, 354 the least deprived). Although over 55% of households live in the town centre and urban fringe of Maidstone, there are significant large village 'rural service centres', including Staplehurst, Headcorn and Marden.

The Department for Communities and Local Government (DCLG) is updating the indices of deprivation, including the Index of Multiple Deprivation (IMD). The work is being carried out by Oxford Consultants for Social Inclusion (OCSI). The 'Indices of deprivation 2015', which had been provisionally timetabled for publication in July, will be published in September. This change is for operational reasons, to allow additional time for production and quality assurance of the indices.

### Population and household change

The table below shows projected population growth from 2011 to 2031 in Maidstone compared to the South East and England. The data shows that the population of Maidstone is expected to grow more strongly than seen across the region and nationally.

	<b>Population 2011</b>	<b>Population 2031</b>	<b>Change in population</b>	<b>% Change</b>
Maidstone	155,764	189,575	33,811	21.7
South East	8,652,800	9,979,900	1,327,100	15.3
England	53,107,200	60,418,800	7,311,600	13.8

Source: Office National Statistics (ONS)

With the overall change in the population will come changes to the age profile. The table below shows the growth in population overall by age bands in Maidstone and highlights the ageing of the population with a greater proportion of the population expected to be in age groups aged 60 and over (and even more so for older age groups) - in particular the oldest age group (85+) shows an increase of 142%.

Age Group	Population 2011	Population 2013	Change	% Change from 2011
Under 5	9,664	10,497	833	8.6
5-9	8,796	10,887	2,091	23.8
10-14	9,403	11,072	1,669	17.8%
15-19	9,405	10,582	1,177	12.5%
20-24	8,537	9,411	874	10.2
25-29	9,710	10,162	452	4.6%
30-34	9,687	10,920	1,233	12.7
35-39	10,134	12,222	2,088	20.6
40-44	11,851	12,341	490	4.1%
45-49	11,986	11,891	-95	-0.8
50-54	10,388	11,258	870	8.4%
55-59	9,210	11,090	1,880	20.4
60-64	10,145	12,049	1,904	18.8
65-69	8,224	11,560	3,336	40.6%
70-74	6,269	9,532	3,263	52.1
75-79	5,058	7,870	2,812	55.6%
80-84	3,774	7,702	3,928	40.1
85+	3,523	8,530	5,007	142.1%
<b>Total</b>	<b>155,764</b>	<b>189,575</b>	<b>33,811</b>	<b>21.7</b>

Source: Office National Statistics (ONS)

In the 2011 Census, it was estimated that there were 63,682 households living in the Maidstone Borough. The table below shows that an estimated 13.7% of households live in affordable housing with 86.3% being in the market sector. The figures also suggest that homes in the market sector are generally bigger than in the affordable sector with 68% having three or more bedrooms compared to 33% for affordable housing.

#### Estimated Profile of Dwellings by Size (2011)

Size of housing	Market		Affordable		Total	
	Number	%	Number	%	Number	%
<b>1 bedroom</b>	3,516	6.4%	31.3%	31.3%	6,254	9.8%
<b>2 bedrooms</b>	14,003	25.5%	35.5%	35.5%	17,107	26.9%
<b>3 bedrooms</b>	23,765	43.3%	29.9%	29.9%	26,373	41.4%
<b>4+ bedrooms</b>	13,661	24.9%	3.3%	3.3%	13,948	21.9%
<b>Total</b>	54,945	100%	100%	100%	63,682	100%
<b>% in tenure</b>	<b>86.3%</b>		<b>13.7%</b>		<b>100%</b>	

Source: Derived from 2011 Census

## Understanding the local housing market

### **Affordable Housing Need**

The delivery of affordable Housing supports the council's corporate priorities for Maidstone to keep the Borough an attractive place for all and to secure a successful economy.

The Strategic Housing Market Assessment (SHMA), published in January 2014, highlighted the on-going need for future provision of affordable housing in the Borough.

	<b>Per Annum</b>	<b>18-years</b>
Net current housing need	32	580
Newly forming households	568	10,224
Existing households falling into need	235	4,230
Total gross need	837	15,034
Supply of affordable housing from existing stock	513	9,234
Net need	322	5,800

Source: SHMA 2014, Table 49: Estimated level of Housing Need (2013-2031)

The council has a net affordable housing need of 5,800 households from 2013 to 2031 equivalent to 322 affordable homes each year (which is 35% of the council's objectively assessed need of 928 dwellings p.a.).

The Maidstone Strategic Housing Market Assessment (2014) identifies the need for different types of tenure of affordable housing through the period of the local plan. Across the Borough as a whole, it is estimated that some 67% of need is for social or affordable rent tenures, whilst around 33% is for intermediate housing. A ratio of 70% affordable rent and 30% intermediate was tested in the study and has been shown to be viable.

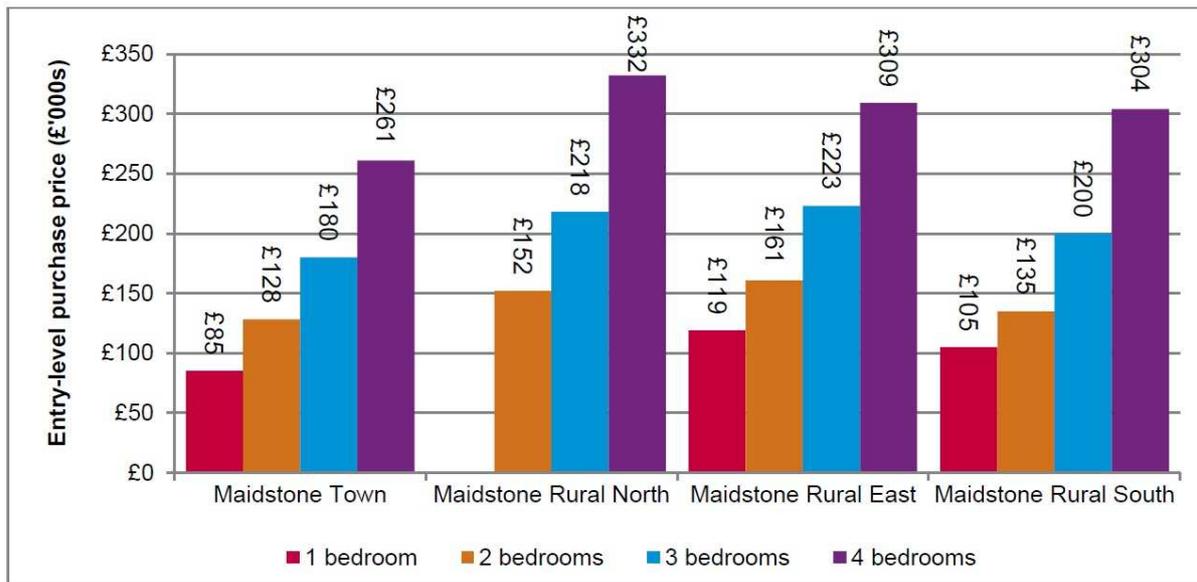
The SHMA, based on its findings, has given the following indicative unit size requirements for different dwelling sizes:

	<b>1 bed</b>	<b>2 bed</b>	<b>3 bed</b>	<b>4+ bed</b>
Affordable	30-35%	30-35%	25-30%	5-10%
Market	5-10%	30-35%	40-45%	15-20%

### **Entry Level Access to the Markets**

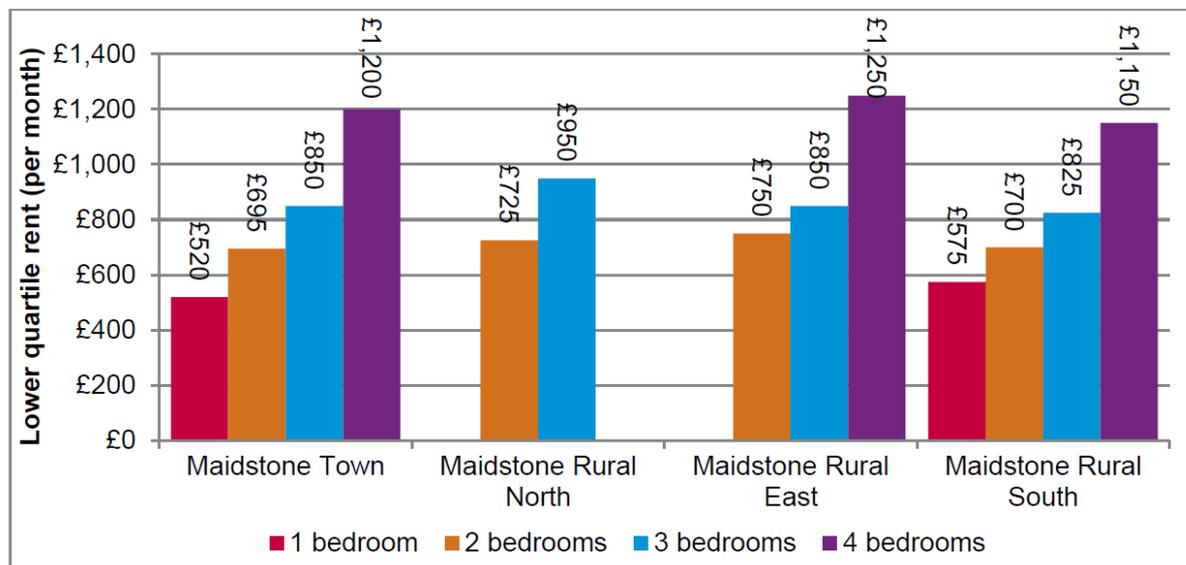
When assessing housing need, an important consideration is to establish the entry-level costs of housing to buy and rent.

The figure below shows the estimated lower quartile property prices for purchases in 2013:



Source: Maidstone Strategic Housing Market Assessment (January 2014)

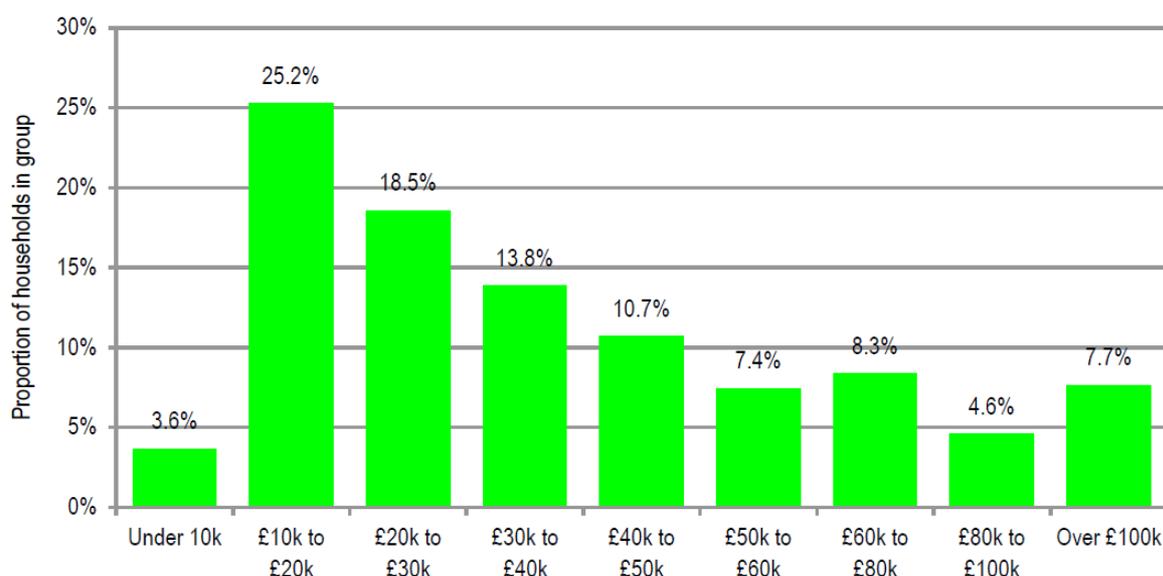
The entry-level cost for private rented accommodation is presented in the figure below. This indicates that entry-level rents range from about £520-£575 per month for a one bedroom home up to around £1,250 per month for a four bedroom property depending on location.



Source: Maidstone Strategic Housing Market Assessment (January 2014)

As well as assessing the price of purchasing a property and renting, it is important to look at local income levels. This determines levels of affordability and also provides an indication of the potential for affordable housing to meet needs.

The figure below shows the distribution of household incomes across the whole Borough:



Source: Maidstone Strategic Housing Market Assessment (January 2014)

This shows that over a quarter of households have an income below £20,000 with a further third in the range of £20,000 to £40,000. The overall average income of all households in the Borough was estimated to be around £31,600 with a mean income of £42,000.

To assess affordability we need to look at a household's ability to afford either home ownership or private rented housing, without financial support. The table below shows across the Borough that it is estimated that around **43%** of households are unable to access market housing on the basis of income levels.

Area	Number unable to afford	Estimated households (2013)	% of households unable to afford
Maidstone Town	17,254	38,904	44.3%
Rural North	1,941	5,460	35.5%
Rural East	1,898	4,379	43.3%
Rural South	6,087	14,938	40.7%
<b>Borough</b>	<b>27,181</b>	<b>63,681</b>	<b>42.7%</b>

Source: Maidstone Strategic Housing Market Assessment (January 2014)

Local Housing Allowance (LHA) rates are used to calculate housing benefit for tenants renting from private landlords. The maximum rates are calculated by the Rent officer using the 30<sup>th</sup> percentile on a list of rents within the area. The current LHA rates for dwellings within Maidstone Borough are as follows:

Maidstone:	Shared accommodation rate:	£68.28 per week
	One bedroom rate:	£123.58 per week
	Two bedroom rate:	£157.56 per week
	Three bedroom rate:	£180.45 per week
	Four bedroom rate:	£235.41 per week

Medway & Swale:	Shared accommodation rate:	£65.66 per week
	One bedroom rate:	£110.67 per week
	Two bedroom rate:	£138.08 per week
	Three bedroom rate:	£153.02 per week
	Four bedroom rate:	£198.11 per week

## Housing Register Need

The table below shows number of applicants and those housed on the Housing Register during 2010 to 2015.

Housing Need & Lets		
	On Housing Register	Housed
2010 to 2011	3442	572
2011 to 2012	3674	607
2012 to 2013	3187	703
2013 to 2014	1339	618
2014 to 2015	1461	624

Source: Locata / Housing Register

There has been an increase in numbers of people on the housing register between 2010 and 2012. This started to decrease in 2012/2013 and then dropped drastically in 2013/2014.

The reason for the large drop was the new housing allocations policy, introduced in April 2013. This new policy made it harder for applicants to be on the housing register, with applicants having to prove a housing need *and* a local connection. This meant many people no longer qualified for social housing.

The new Allocations Scheme replaced the previous points system with the introduction of a banding system.

Housing Register by Banding and Bedroom requirement (as at end of August 2015)

	Band A	%	Band B	%	Band C	%	Band D	%	Total	%
<b>1-Bed</b>	162	35	98	70	501	65	40	54	801	55
<b>2-Bed</b>	178	39	34	24	152	20	28	38	392	27
<b>3-Bed</b>	88	19	7	5	70	9	5	7	170	12
<b>4-Bed</b>	27	6	1	1	15	2	0	0	46	3
<b>5+Bed</b>	7	1	0	0	32	4	1	1	40	3
<b>Total</b>	<b>462</b>	<b>100</b>	<b>140</b>	<b>100</b>	<b>770</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>1446</b>	<b>100</b>

## Shared Ownership Need

Demand for shared ownership within Maidstone remains relatively strong. The table below shows the number of applicants registered with the Help to Buy Agent who wish to live in Maidstone, broken down by bedroom entitlement and existing household status. There are 649 applicants in total. The majority of need is for smaller one and two bed accommodation

of which accounts for over 80% of the total need. The size of accommodation required is closely aligned with that of rented accommodation. The average household income of those registered is £30,725.

Existing Household Status								
Beds	Council Tenant	Private Tenant	Housing Association Tenant	With Family or Friends	Owner Occupier	Other	Total Applicants	%
1/2	3	225	24	249	9	3	526	81
2/3	2	49	10	16	4	4	85	13
3/4	1	20	1	4	0	3	29	4
4+	0	6	1	1	0	1	7	1
<b>Total</b>	<b>6</b>	<b>300</b>	<b>36</b>	<b>270</b>	<b>13</b>	<b>11</b>	<b>649</b>	<b>100</b>

Source: Help to Buy Agent (Nominations Data)

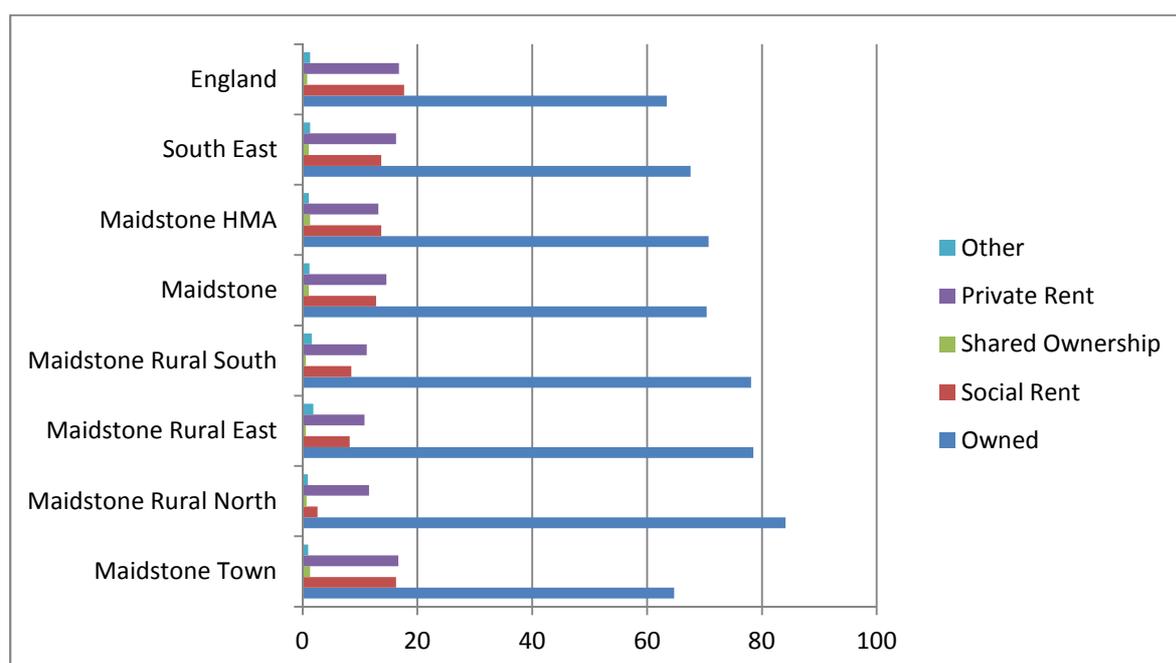
### Private Rented Sector

The private rented sector plays an important role in meeting affordable housing needs but also supports flexibility across the housing market. The sector has seen considerable growth in the past decade and forecasts predict this to increase even further.

However, the private rented sector generally provides less security to tenants than a social rented property and commonly offers a lower standard of accommodation.

### Housing Stock and Supply

A detailed profile of tenure mix for Maidstone can be gleaned from the 2011 Census. Around 70% of households live in owner occupied accommodation, with around 13% social rented and 15% private rented. Like much of the country, the shared ownership sector is limited at only 1% of stock.



The Statistical Data Return (SDR) is an annual online survey completed by all English private registered providers of social housing. The SDR collects data on stock size, types, location and rents at 31<sup>st</sup> March each year, and data on sales and acquisitions made between 1<sup>st</sup> April and 31<sup>st</sup> March.

The table below shows the total social housing stock recorded for the Maidstone Borough, broken down by tenure and client group as at 31<sup>st</sup> March 2014.

<b>Tenure</b>	<b>Units</b>	<b>% of stock social housing stock</b>
<b>Rent</b>		
General Needs Self Contained	7,125	79%
Supported Housing	207	2%
Housing for Older People	1,137	12%
<b>Low Cost Home Ownership</b>	607	7%
<b>Total</b>	<b>9,076</b>	<b>100%</b>

Source: Statistical Data Release 2013-14

There are 9,076 existing social homes within the Borough of Maidstone, of which 8,469 (93%) are rented accommodation, with the remaining 7% low cost home ownership accommodation.

Maidstone has an excellent track record for delivery of affordable housing and has outperformed all other authorities in Kent, with the exception of Medway, which is a unitary authority. This is supported by the table below which shows the number of affordable homes delivered by each Kent local authority from 2010 to 2014.

<b>Numbers of affordable housing delivered by each Kent local authority between 2010 and 2011 and 2013 to 2014.</b>	
Medway	1060
Maidstone	1050
Ashford	790
Tonbridge & Malling	630
Gravesham	560
Dartford	540
Canterbury	460
Swale	430
Thanet	370
Tunbridge Wells	340
Dover	200
Sevenoaks	170
Shepway	150
<b>Totals</b>	<b>6750</b>

Both the Homes and Communities Agency (HCA) and Registered Providers see Maidstone as an important area for affordable housing delivery and investment. The table below shows the amount of funding the HCA has allocated towards the delivery of affordable homes within each of the authorities in Kent for the period April 2011 to September 2014.

<b>Affordable Homes Programme (2011-15) - Schemes confirmed by the HCA</b>			
<b>Local Authority</b>	<b>Funding (£)</b>	<b>Affordable Homes</b>	<b>Grant Per Affordable Home (£)</b>
Ashford	5,167,174	386	13,386
Canterbury	1,447,635	126	11,489
Dartford	204,000	118	1,729
Dover	3,799,013	191	19,890
Gravesham	9,406,892	250	37,628
Maidstone	6,884,709	548	12,563
Medway Towns	9,115,126	399	22,845
Sevenoaks	1,023,222	83	12,328
Shepway	3,764,962	143	26,328
Swale	4,635,756	333	13,921
Thanet	3,217,900	106	30,358
Tonbridge & Malling	3,038,172	272	11,170
Tunbridge Wells	5,247,151	396	13,250

Source: Homes and Communities Agency

The 2015 to 2018 Affordable Home Programme aims to increase the supply of new affordable homes across the Country. Over half the available funding was allocated in the initial bidding round, with the remainder being made available on a continuous market engagement basis. Bidding for this is now open and will remain so until all of the funding is allocated.

There are currently 51 developments that have obtained planning permission within the Borough that will provide affordable housing that are currently being built or where development has yet to start. These will provide an additional 1314 new affordable dwellings. The breakdown of these is as follows:

	<b>1 bed</b>	<b>2 bed</b>	<b>3 bed</b>	<b>4 bed</b>
<b>Flats</b>	234	317	0	0
<b>Houses</b>	0	266	258	69
<b>Bungalows</b>	0	6	0	0

Note: 164 units – type / size to be agreed

Affordable / Social Rent	893 units (73%)
Shared Ownership / New build Homebuy	330 units (27%)

Note: 91 units – tenure to be agreed

### **Emerging Local Plan Policy**

Maidstone Borough's Local Plan, which is due to run until 2031, is currently being drafted after an initial public consultation period in 2014. There are four emerging policies within the plan that directly affect Housing:

- DM23 – Housing mix
- DM24 – Affordable housing
- DM25 – Local needs housing
- DM26 – Gypsy, Traveller and Travelling Showpeople accommodation

An affordable housing supplementary planning document is to be produced once the Local Plan has been adopted. This document will go into greater detail about the Council's affordable housing policy and requirements from developers.

A further round of public consultation is to be undertaken before the final local plan is adopted, which is scheduled for 2017.

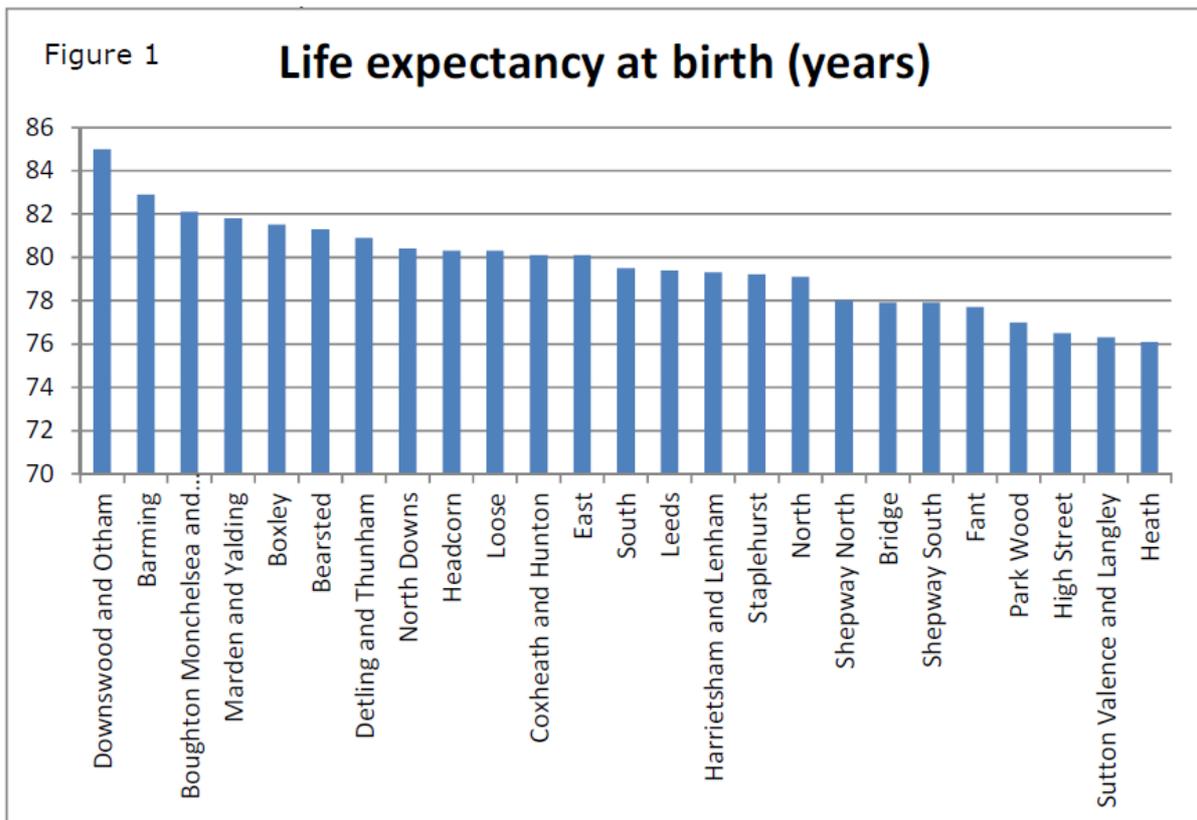
### **Health and Well-Being**

The right home environment is critical to our health and wellbeing; good housing helps people stay healthy, and provides a base from which to sustain a job, contribute to the community, and achieve a decent quality of life. Safe and suitable housing also aids recovery from periods of ill-health, and enables people to better manage their health and care needs.

Without good housing, we know health and wellbeing are affected: poor conditions and precarious housing impact on people's physical and mental health. Ill health also puts some households at a greater risk of housing need and can be a trigger of homelessness – for example, poor physical and mental health can make it harder to access and keep their home.

Maidstone Borough Council recognises the importance of reducing health inequalities and improving health and wellbeing, a theme that runs through the 3 strategic priorities and 7 key outcomes set out in the Strategic Plan 2011-15.

Levels of health and wellbeing in Maidstone are generally good, being largely above national and regional averages. This position, however, hides some pockets of deprivation and ill health. The difference in life expectancy at birth of our most affluent wards compared to our most deprived is 8.9 years (figure 1), putting us mid-table when compared to other districts in Kent.



Deprivation in the Borough is lower than average, however 15% (4,300) of children (under 16 years old) in Maidstone live in poverty. There is a larger difference in life expectancy of men and women; 7 years lower for men and 4 years lower for women in the most deprived areas of Maidstone than in the least deprived.

The neighbourhoods that make up the areas of higher deprivation lie particularly in the electoral Wards of:

- Park Wood
- High Street
- Shepway North
- Shepway South

Maidstone Borough Council aims to reduce health inequalities by reducing the gap in health status within and between our communities, by improving health most quickly for areas with high levels of deprivation. The Health Inequality Action Plan sets out how all partners will work together to achieve this aim, so that people will live longer in better health, and the variances in life expectancy in Maidstone will reduce.

Research has also shown that the stability of an affordable home can have profound effects on childhood development and school performance and can improve health outcomes for families and individuals.

Housing costs and affordability have been shown to be associated with increased levels of anxiety and depression.

Appendix D – The relationship between poor housing and health – highlights the many links that exist between the condition of a household dwelling and their health.

## **Fuel Poverty**

A household lives in fuel poverty when they cannot afford to heat their home to a comfortable level. Living in a cold home has a negative impact on the health of occupants of all ages. It may also reduce educational attainment in children and increase the number of absences from school and work. Approximately 8% of households in the borough suffer from fuel poverty, similar to the average for Kent. However fuel poverty is not evenly distributed through the Borough with some areas having just 2.2% of households in fuel poverty and others with 15.2% of households living in fuel poverty. Nationally fuel poverty is more prevalent in the private rented sector, followed by owner occupiers and lowest in the socially rented sector. The drivers of fuel poverty are;

1. The energy efficiency of the home;
2. The cost of the heating fuel; and
3. The household income

The council aims to reduce fuel poverty in the Borough by initiatives including the Big Maidstone Switch and the Warm Homes scheme.

## **Excess Winter Deaths**

Excess winter deaths are defined by the Office for National Statistics (ONS) as the difference between the number of deaths during the four winter months (December - March) and the average number of deaths during the previous four months (August – November) and the following four months (April - July).

It is estimated that half of the excess winter deaths are from cardiovascular and circulatory diseases and a third from respiratory disease. Environmental exposure to excess cold can have a number of health impacts including an increase in blood pressure and clotting which can increase the risk of heart attack and stroke.

Older people have the greatest risk of their health being affected by cold temperatures. The majority of excess winter deaths are in people over 75 years of age.

## **Think Housing First**

The Kent Joint Policy and Planning Board (Housing) published 'Think Housing First' in 2013. It sets out the role of the housing sector; the relationship between health inequalities and housing; and what can be done in Kent in addition to current housing interventions.

The vision is to raise the profile of 'thinking about housing first' in addressing health inequalities in Kent. In doing so the aims are:

- To take advantage of the new opportunities, driven by the recent health reforms, for housing to strengthen collaboration and engagement with health
- To maximise the contribution of housing in improving people's health and wellbeing
- To raise awareness to health colleagues of the role of the housing sector

- To reliably inform commissioning priorities and decisions, by demonstrating how investing in housing can save in health bills.

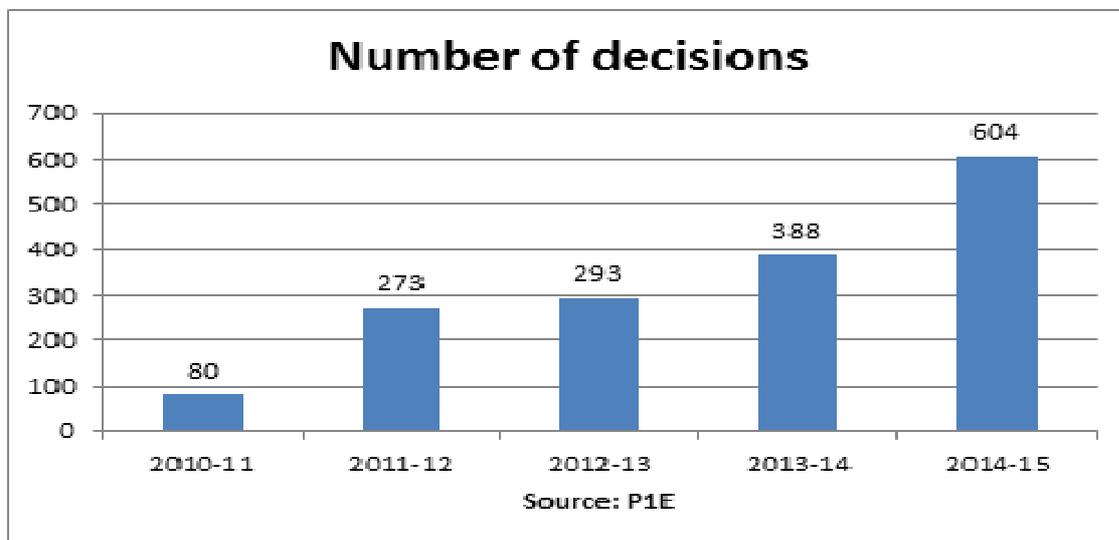
## Homelessness and Vulnerable People

### Homelessness

Between 2005 and 2010 the Council significantly reduced its use of emergency accommodation. For many years the Housing Service had less than 10 households at any time in emergency accommodation. The use of temporary accommodation generally had virtually ceased, as the Housing Service was able to house households into settled accommodation.

Unfortunately, since 2010 the recession and ongoing economic climate have resulted in a surge of homelessness nationally. Due to the high demand for social housing, this has led on occasion to some homeless households having a significant wait in temporary accommodation until they receive an offer of social housing.

The Government requires all local housing authorities to complete a return (known as the P1E) every quarter on homelessness activity. This includes the number of people approaching the council as homeless. The overall numbers of those approaching the council as homeless between the 2010/2011 financial year and the 2014/2015 financial year can be seen below.



Source: P1E

The number of homelessness decisions made by the council has increased significantly since April 2011. Most of the data from the P1E return to central government only gathers detailed data on those who are eligible for assistance, unintentionally homeless and in priority need (the full housing duty, as this means the local housing authority must secure accommodation for the applicant and their family).

Therefore to understand the context of the data from the last five years it is important to understand the trend in not only those presenting themselves as homeless, but also those that Maidstone Borough Council owes a duty to house under legislation.

Financial Year	Eligible, unintentionally homeless and in priority need	Eligible, homeless and in priority need but intentionally so	Eligible, homeless but not in priority need	Eligible but not homeless	Ineligible	Total number of decisions
2010-11	33.8%	6.3%	8.8%	50.0%	1.3%	80
2011-12	69.2%	9.2%	10.3%	10.6%	0.7%	273
2012-13	67.6%	7.5%	14.3%	8.5%	2.0%	293
2013-14	39.9%	9.7%	12.0%	26%	3.0%	388
2014-15	35.2%	12.4%	29.4%	19.8%	2.9%	604

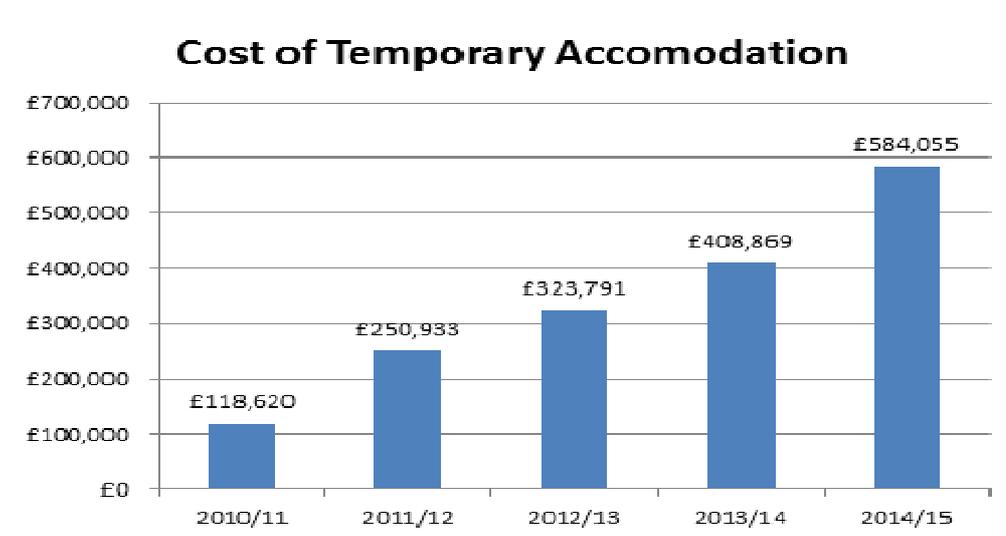
Since 2010/2011 the number of people who were found to be eligible for assistance, unintentionally homeless and in priority need increased up to 2012/13, reaching a high of 69.2% in 2011/12. The proportions have decreased since, however as previously noted the number of people approaching the council as homeless continues to increase, so it may well mean that the numbers of people who the council has a duty to house continues to remain high.

Maidstone is above the national level of homelessness in relation to population; whilst the Kent average is 0.49 per 1000, compared to an England average of 0.59, Maidstone stands at 0.98, the second highest in Kent.

The number of people in temporary accommodation continues to rise. This is due mainly to the number of duty accepted households who we have been unable to identify 'move on' accommodation for.

Number of people in temporary accommodation on last night of each Quarter				
Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
10/11	33	32	35	36
11/12	34	44	46	49
12/13	38	27	37	36
13/14	39	47	31	42
14/15	49	40	43	52
15/16	63			

The use of temporary accommodation has resulted in a large increase in cost to the Council. The past five years have seen a near fivefold increase in the net cost of temporary accommodation from £118,620 to £584,055.



## Vulnerable People

Kent County Council (KCC) published its 'Adult Accommodation Strategy' (Health and Housing Partnership) in July 2014, the purpose of which was to develop evidence to help shape the approach to the provision of housing and care homes within Kent.

The report estimates the need for, and availability of, accommodation for people with physical disabilities, sensory disabilities, learning difficulties, autism and people who use mental health services within Kent. The Adult Accommodation Strategy also demonstrates the need for accommodation for older people (aged 55/65 and over) in the County and the supply available.

The evidence in KCC's Adult Accommodation Strategy clearly demonstrates that:

- Whilst supply of specialist accommodation can target persons aged over 55/65, the majority of need arises from persons in older age groups: those 75-84 and particularly over 85;
- The needs of these groups include support needs which range from support in adapting properties to meet changing needs, provision of care in the home through to specialist accommodation and care/nursing home provision.

The SHMA report estimates the need for specialist housing, overall and by tenure.

Maidstone	Current Need	Additional Need to 2030	Total Need
Sheltered	348	1508	1856
Extra Care	223	260	483
Residential	137	1144	1281
<b>Total</b>	<b>708</b>	<b>2912</b>	<b>3620</b>

Viability testing for retirement homes (also known as 'sheltered housing') and extra care homes (also known as 'assisted living') suggests these uses are not as viable as other residential uses? in Maidstone. There was very little difference between extra care and retirement properties, and the study recommends a single affordable rate for both. Whilst a rate of 30% affordable housing is viable, this could only be achieved with a zero Community Infrastructure Levy (CIL). Alternatively, a lower 20% affordable housing rate can be accommodated which would allow for an appropriate balance between affordable housing need and infrastructure provision.

Maidstone are members of the Mental Health Forum and through this have recognised the need to seek alternative, self-contained accommodation for existing mental health clients who are living in shared accommodation which is no longer fit for purpose. Two new replacement mental health schemes have been developed during the course of the existing housing strategy, providing a total of 19 one bed flats. There are two remaining mental health schemes (12 units) which need to be replaced with new self-contained accommodation, and the Council are working with the support provider and KCC's accommodation solutions team to secure funding and identify suitable site opportunities.

KCC's Supporting People programme has ended, although the services are very much still being provided and commissioned and KCC remains committed to providing housing-related support. A needs analysis was conducted in 2013 and the plan that arose from this suggests commissioning in a more holistic way, thinking about the pathways that service users need and simplifying the complex arrangements that service users have to navigate.