



Kettering's Changing Housing Market

Kettering
Borough Council

Today's Presentation

- Introduction
- Kettering's Changing Housing Market
- Our Challenges
- Where Next?

Kettering's Changing Housing Market

Our Changing
Community

Home
Ownership

Generation
Rent

Rising
Homelessness

Supply and
Demand

Single Rental
Market

Our Changing Community

More people are living here

- Population - 2001: 81,844 → 2011: 93,475 (+14%)
- Households - 2001: 34,442 → 2011: 39,701 (+15%)

More singles; more one parent families

- Single person households - 2001: 9,621 → 2011: 11,503 (+19.6%)
- One parent families - 2001: 2,041 → 2011: 2,719 (+33.2%)

More older people

- People over 65 - 2001: 12,712; 2011: 15,800 (+24.3%)
- 61% of council tenants are over 60
- 14% of sheltered housing residents are older than 90

Our Changing Community

More disabled people are living independent lives

- Disabled Facilities Grants 2011/12 – 47 completed; £238,000 spent
- 2012/13 – 19 completed; £231,000 spent
- 2013/14 – 80 completed; £405,000 spent

Migration

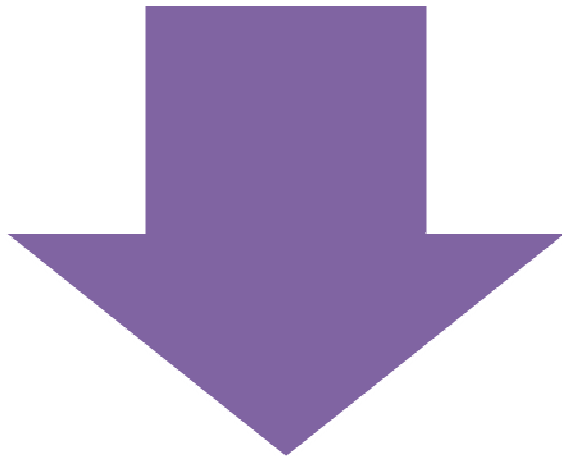
- 3.7% of residents are migrants from Eastern Europe
- Typically, they live in poorer housing in the private sector; often in Houses in Multiple Occupation

Home Ownership



House prices in Kettering:

Increased by 5% over the last year



Owner occupiers in Kettering:

2001: 76.86%; 2011: 70.3%

New homes built by developers:

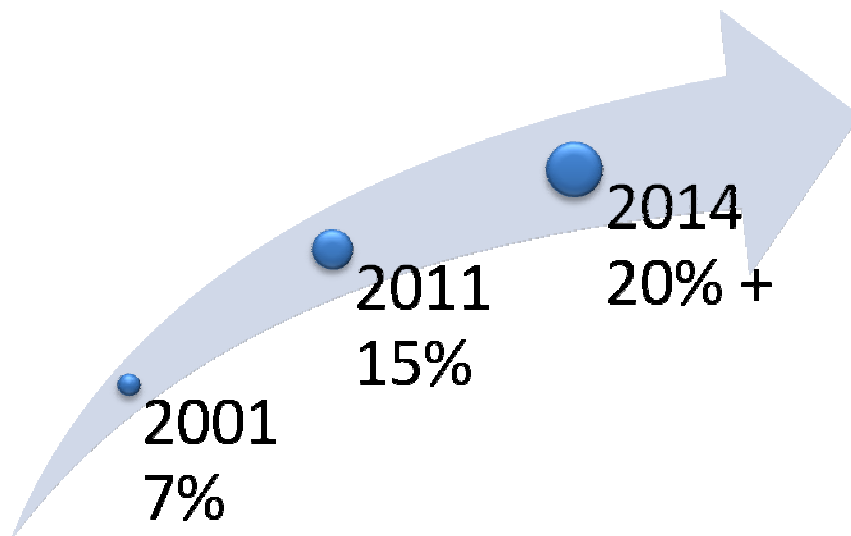
2007/08 569 completions;
2012/13: 199 completions

Home Ownership

- Average house price in Kettering is £178,748
- A household would require an income of £54,000 to purchase an average priced property; based on a 10% deposit and a mortgage of 3 x household income.
- 80% of Kettering residents have a household income below £54,000
- Average household income is £36,291
- Average house price is 5 x average household income

Generation Rent

Growth in Private Renting



Why?

- Home ownership is no longer an option for many young people
- Fewer new homes are being built by housing associations
- Supply of social housing doesn't match demand
- Social housing tenancies are less attractive and accessible

Rising Homelessness

More people are approaching the Council for help

- Our Housing Options team typically handles 1000 contacts a month compared to 500 contacts a month last year
- We have 44 households in temporary accommodation compared 33 in October and 29 in September

More people are sleeping on the streets

- Rough sleeper estimate: Nov 2013 – 11 people; 2012 – 7 people; 2011 – 1 person

Rising Homelessness

Homeless households tend to be vulnerable single males rather than families with children

- 60% of households in temporary accommodation are single people with a support need

Cuts to supported housing budgets mean that people with complex needs are at risk of homelessness

- ECHG hostel at Carrington St - 6 places
- ECHG hostel at Broadway – 22 places
- NWA refuge – 4 places

Supply and Demand

Fewer new homes built by housing associations

2008/09: 243; 2013/14: 100

Larger social properties are more difficult to let

3 bed properties take an average of 5 bidding cycles to let

60% of households on the Keyways register are singles and childless couples

1 bed properties only comprise 25% of the Council's housing stock

An Emerging Single Rental Market?

Private landlords

- Rapidly growing sector
- More choice – property types, areas
- Improving standards

Social housing

- Fewer new homes being built by housing associations
- Fixed term tenancies – less security of tenure
- Rent restructuring – higher rents
- Mismatch between supply and demand

Council Rent Increases

| Financial Year | Average Rent Increase |
|----------------|---|
| 2008/09 | 7.5% |
| 2009/10 | 6.4% |
| 2010/11 | 3.1% (Planned increase of 6.2% was reduced by Government) |
| 2011/12 | 7.0% |
| 2012/13 | 7.9% |
| 2013/14 | 4.75% |
| 2014/15 | 5.1% Average weekly rent £79.73 |

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Challenges

We need to help people threatened with **homelessness** to keep a roof over their heads

We need to increase the **supply** of affordable homes that meet the needs of local people

We need to work with **private landlords** to ensure that the housing they provide is safe, secure and warm

Challenges

We need to ensure that **council housing** continues to be viable and easy-to-let in a more competitive market

We need to provide support for **vulnerable people** so that they can find a home and maintain their tenancies

We need to develop more housing and support specifically for **older people** and ensure that the existing stock can be adapted to meet their needs

Challenges for Council Housing

- Council housing is now a business
 - We have to service a £72.9million debt
 - We need to fill our properties and collect the rent
- But we still have a social purpose
 - Providing good quality housing at an affordable rent
 - Making neighbourhoods safer and better places to live.
 - Helping our customers to make the most of their lives
- We are competing with private landlords and housing associations
- How can we survive in a competitive market and continue to meet our social purpose?

Rising to Meet the Challenge

- Boosting resources:
 - Income management
 - Tenancy support
 - Homelessness
- Doing things in different ways:
 - Tenants' open day
 - Highfield Road open day
 - Being more professional in how we market our properties
- Remodelling the housing stock
 - Homes for the Future
 - Looking for opportunities to build new homes
- But, this is just the beginning.....



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