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| **B O R O U G H O F K E T T E R I N G** |
| **Committee** | **COUNCIL** | Item12 | Page 1  |
| **Report** **Originator** | John Conway Head of Housing | *Fwd Plan Ref No:*C14/006 |
| **Wards Affected** | All | 25th February 2015 |
| **Title** | **HOUSING STRATEGY 2015-20** |

# 1. PURPOSE OF REPORT

To ask the Council to approve the Housing Strategy for 2015-20.

**2. BACKGROUND INFORMATION**

* 1. Kettering’s housing market as well as national policy has changed considerably since we last produced a Housing Strategy a number of years ago.
	2. The purpose of our new Housing Strategy 2015-20 is to set out the main changes in the housing market, identify the key challenges in delivering new homes and housing services locally, and inform on what action will be required to help meet both current and future housing needs and aspirations.
	3. The Housing Strategy 2015-20 will provide the over-arching strategic document to inform future housing related plans, strategies and policies and is a key tool in ensuring the successful delivery of a range of housing options and solutions for local residents.
	4. The Housing Strategy contributes towards the Council’s wider strategic aims and priorities and as such cannot be successfully implemented in isolation from key national, regional and local strategies. The Council has a lead role in:
* assessing and planning for the current and future housing needs of the Borough’s population;
* encouraging a supply of new homes to be built across all tenures;
* supporting the local economy by having the right number of homes of the right tenure and price for our growing community;
* making best use of existing housing stock;
* improving poor housing conditions and thereby alleviating health problems associated with sub-standard housing;
* promoting housing-related support services; and
* working with a range of partners to achieve the best possible outcomes for local people.

2.5 The Executive has considered a series of reports on the Housing Strategy’s proposed strategic aims resulting from the changing housing market work undertaken. The draft Housing Strategy is due to be considered by the Executive Committee at its meeting on 18th February, and this report will therefore be updated as necessary at the meeting.

**3. POLICY IMPLICATIONS**

3.1 Over the last year, considerable work has been undertaken to improve our understanding of national policy changes and the impact on the local housing market in Kettering. Kettering’s changing housing market is characterised by demographic change, declining levels of home ownership, a booming private rental market, rising levels of homelessness from single people with complex needs and a mismatch between supply and demand for social housing. The end result is that is a single rental market, crossing all tenures, is emerging in Kettering. In short, social housing providers are now in direct competition with private landlords.

3.2 We have found that the main factors affecting housing need are:

**Our Changing Community**

* More people are living in our Borough
* The population has increased from 81,844 in 2001 to 95,748 currently.
* Our population is expected to increase to approximately 114,000 by 2037
* The number of households also increased by 15% between 2001 and 2011. We expect to see an increase of 28% by 2037.
* Households are smaller and more are non-traditional
* Single person households increased by 20% between 2001 and 2011
* One parent families increased by 33% between 2001 and 2011
* Older people form a greater proportion of our population
* Between 2001 and 2011, the number of people over 65 in our community increased by 24%

 **Affordability and the Impact of the Economic Downturn**

* A reduction in the supply of new houses for sale over the past five years.
* Developers completed 199 new homes in 2012/13; down from 569 in 2007/08
* House prices are outstripping salaries
* The average house price is £178,748
* House prices in Kettering have increased by 5% in the last year
* Average house price is five times the average household income
* Fewer people are becoming homeowners. In 2001 77% of all homes were either owned outright or with a mortgage. In 2011 this had dropped to 69%.
* Higher discounts have led to an increase in Right to Buy sales of Council homes. There were 37 RTB sales in 2013/14 compared to 19 the previous year.

**Generation Rent and the Changing Demand for Social Housing**

* Private lets have increased from 7% of the local housing market in 2001 to more than 20% at the current time
* Home ownership is no longer an option for many young people because of a lack of supply, poor mortgage availability and the cost of home ownership
* Supply of social housing is not meeting demand
* 243 new homes were completed by housing associations in 2008/09 but this was down to 100 new homes in 2013/14
* 69% of households on the Keyways register are singles and couples but one bedroom properties only comprise 25% of the Council’s housing stock

**Kettering’s Homes**

* Affordable housing supply has slowed. 243 new affordable homes were completed in 2008/9 compared to 100 in 2013/14.
* There is a need for smaller properties to meet demographic needs across all tenures
* 69% of households on the Keyways register are single person or couples however one bedroom properties only account for 25% of the Council’s housing stock.
* We have an ageing Council housing stock that requires significant investment if it is to continue providing decent, safe and healthy homes over the long term. Around 30% of our council stock was built prior to 1945.
* Around 19% of private sector homes exhibit a Category 1 hazard, posing a serious risk of harm to occupants.

**Changing Face of Homelessness**

* More people are approaching us for help
* There were 143 homelessness applications in the calendar year 2014. In 2013 we had 125 applications and in 2012, 103 applications.
* In January 2014 we took 24 homelessness applications during that one month, the highest level per month since October 2008. For December 2014 the number of homelessness applications had reduced to just 3, which is reflective of the amount of prevention work we are undertaking.
* Locally homeless acceptances have more than doubled – during Oct-Dec 2014 we accepted 13 households as homeless, compared to 6 in the same quarter in 2013.
* The number of households in temporary accommodation has reduced by more than a quarter over the last year due in part to our intervention work, however some types of households, such as single people, are disproportionately represented. At the 1st February 2015 72% of households in temporary accommodation are single person households.
* The Housing Options team recorded 3,320 contacts during 2014 compared to 2,574 in 2013, representing a 29% increase.
* More people are sleeping rough. Rough sleepers have increased from one known person in 2011 to 11 in 2013
* Homeless households now tend to be vulnerable single males rather than families with children
* 60% of households in temporary accommodation are single people with a support need
* Reductions in supported housing budgets mean that more vulnerable people with complex needs are at risk of homelessness
* The closure of hostels at Carrington Street and Broadway have resulted in a loss of accommodation and support for 28 vulnerable people, along with the loss of 16 rooms provided at the St Judes hostel via the YMCA a number of years ago.

3.3 In responding to these challenges, the draft Housing Strategy sets out three strategic aims. These are listed below together with some of the actions we propose to take:

### Increasing housing supply across all tenures

* Ensure an increasing supply of good quality new homes of all tenures to support growth
* Increase the supply of affordable homes, including a proportion of smaller one and two bedroom homes to meet the needs of current and future communities
* Unlock the potential of empty homes
* Make best use of existing housing stock
1. **Ensuring decent, safe and healthy homes**
* Ensure decent, safe and healthy homes in the private sector
* Support a thriving private rented sector
* Reduce fuel poverty
* Improve the condition and energy efficiency of the Council’s housing stock
* Reduce crime and anti-social behaviour across our estates
1. **Helping people to live independently**
* Prevent homelessness wherever possible through high quality advice and assistance
* Work with those most affected by welfare reform to mitigate the negative impact it has had on their lives
* Ensure that accommodation and services provided for elderly people remains relevant and responsive to their needs
* Improving the range of housing options and support for vulnerable people.

**4. CONSULTATION AND CUSTOMER IMPACT**

4.1 Over the past year we have been working with key stakeholders including customers and elected members on ‘Kettering’s Changing Housing Market’ – a project to understand the main changes affecting our housing market and plan the way forward. This has helped us to acknowledge the need to work in different ways.

4.2 Separate reports have been taken to the Council’s Executive on our approach to the Housing Strategy throughout late 2014. These reports outlined our new approach as well as detailing each of the three key strategic aims, the key challenges and the way forward. Members endorsed each of these reports and the recommendations contained within.

4.3 An initial presentation was given at our Tenant’s Forum in November 2014 on our new approach and again in January 2015, where the draft Housing Strategy was outlined and the Forums views sought via the consultation process.

4.4 A draft Housing Strategy and Action Plan were published in December for consultation. The consultation period on the Housing Strategy ran from 16th December 2014 to 3rd February 2015. The documents were published on the Kettering Borough Council website and comments invited via either an online questionnaire, emailing directly to the Housing Strategy mailbox or in writing. The consultation was also announced via social media outlets.

4.5 Key external stakeholders including Northamptonshire County Council, Northamptonshire Police, Kettering General Hospital, Nene Clinical Commissioning Group, Northamptonshire Enterprise Partnership, Local Authorities, Private Landlords, Housing Associations and Voluntary Sector organisations were sent the link to the consultation documents and were invited to comment.

4.6 A Housing Conference was held on the 30th January 2015 to present the new approach to the Housing Strategy and to demonstrate some of the work that has been happening over the years within the Housing Service. Over 100 individuals and organisations were invited to the Conference and on the day we had just over 60 delegates attend.

4.7 Delegates had the opportunity to feed into the workshops held on the day which covered each of the strategic aims of the Housing Strategy. The workshops were facilitated, with notes taken and three main messages from each were fed back at the end of the Conference.

# 4.8 The aim of the consultation was to ensure that we have identified the key housing issues and priorities affecting the Borough and to ensure that our information is accurate and up to date. We want to make sure that the actions and objectives contained within our draft Action Plan, a working paper for Officers, will deliver the desired outcomes for the Borough.

# 4.9 Responses from the consultation have been collated and changes made to the draft document as felt necessary. There is overwhelming support for the new approach to our Housing Strategy and the strategic aims and objectives contained within it.

# 5. FINANCIAL RESOURCE IMPLICATIONS

5.1 None at this stage.

# 6. HR IMPLICATIONS

6.1 None at this stage.

# 7. LEGAL IMPLICATIONS

7.1 None at this stage.

**8. RECOMMENDATION**

 The Head of Housing recommends that the Council approve the Housing Strategy 2015-20.

Background Papers: Previous Reports/Minutes:

Draft Housing Strategy 2015-20 None

 Ref:

Date: February 2015 Date:

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