Sevenoaks
DISTRICT COUNCIL

<u>HOUSING AND COMMUNITY SAFETY ADVISORY COMMITTEE</u>
<u>29 April 2014 at 7.00 pm</u>

6.   Affordable Housing   (Pages 1 - 22)
        Gavin Missons

        An update on current affordable housing strategy and related
        initiatives.

Sevenoaks
DISTRICT COUNCIL

This page is intentionally left blank

Affordable Housing

- delivering associated strategy -

Gavin Missons (Housing Policy Manager)

National context

- England facing substantial housing shortage

- House price inflation continuing to outpace salary growth

- Increasingly fewer private sector housing options

- Private sector stock deterioration

- Increasing housing need across UK (much more acute in SE)

- Move from capital to revenue-based social housing system

- London's overspill to home-counties (need and demand)

Local context

- Very few development opportunities in the District

- Significant land values

- Property prices amongst highest in UK

- More expensive stock profile

- 93% Green Belt

- 60% AONB

- London; M25; Gatwick; Heathrow; Thames Gateway; HS1

S106 affordable housing contributions

- Significant source of funding to deliver housing strategy here in the Sevenoaks District

- Financial planning gains secured through Core Strategy on housing developments of between 1-4 dwellings

- Large proportion of local housing development falls within this range

- Time-limited funding, so how do we spend to best effect?

Key approach (1)

Simply fund housing development elsewhere

- Find and secure sites/land suitable for housing development

- Compete with private developers with more to spend

- Planning process

- Development (CSH Level 3 / HCA Space Standards etc)

- Timescales (very long process)

- Does remain a key tactic, however

Key approach (2)

Be more creative with local housing strategy

- Measures other than direct on-site provision

- Make much better use the existing housing stock

- No longer restricted by planning rules

- Often more time and cost-effective

- Other positive knock-on effects (wider outcomes in CP)

- Properly review options and weigh-up benefits of each

- Place less reliance on new development

Creating new opportunities

- Bridging gaps in funding (development viability issues)

- Maintaining and preserving much-needed affordable stock

- Remodelling existing stock/schemes

- Helping low-paid working households access affordable housing

- Creating match-funding opportunities

- Addressing wider effects of housing affordability, e.g. fuel poverty

- Introducing/testing tactics not yet tried

- Introducing modern versions/variations of previously-used tactics

A HOME
OF YOUR
OWN

A wide-range of benefits/outcomes

- Complemented other shared-ownership products (Help-to-Buy)
- Achieves what Help-to-Buy can't
- Introduced greater choice (not just new-build social housing)
- Brings private sector housing into social sector
- Negates land requirements and development process
- Balancing local housing market/neighbourhoods
- Freeing-up existing social housing stock
- Freeing-up existing lower-end private rented stock
- Stimulating local housing market (transaction chains x 5)
- Helping younger and economically-active households
- Preventing out-migration in search of cheaper housing elsewhere
- Supporting local lower-paid workforce
- Much less impact on SDC staff and associated resources
- Will help future households through recycling of funding

Case Study

- Alex and Susannah rented in the District for the past 8-years with their three young children
- Wanted to buy a home in the area so their children could stay at their local schools
- Due to local house prices, were close to giving up on the prospect of ever owning a property (stuck in social housing)
- Purchased 3-bed house in Westerham (£230k/65%)
- Children continue to attend their school
- Can grow up in a safe and familiar rural environment
- Susannah also works at another pre-school in the town
- Retained a key member of the local workforce
- Over-crowded family living in WKHA home moved into vacant Moat home
- A homeless family then moved into vacant WKHA home
- Effective use of social housing stock - homes more suited to households

Runner-up in National Housing Awards 2013

Runner-up (Highly Commended) in First-Time Buyer Awards 2014

Unlocking Empties

- Complement No-Use-Empty loan scheme (local variation)

- Assist people onto the housing ladder

- Free-up social housing and/or lower-end private rented

- Bring long-term empty homes back into use

- Create more lower-end market housing for the future

- Achieve a wide range of outcomes through the one housing strategy tactic

- Delivery through 2014/15 and 2015/16 (3 x £15k test cases)

- Again, will help future households through recycling of funding

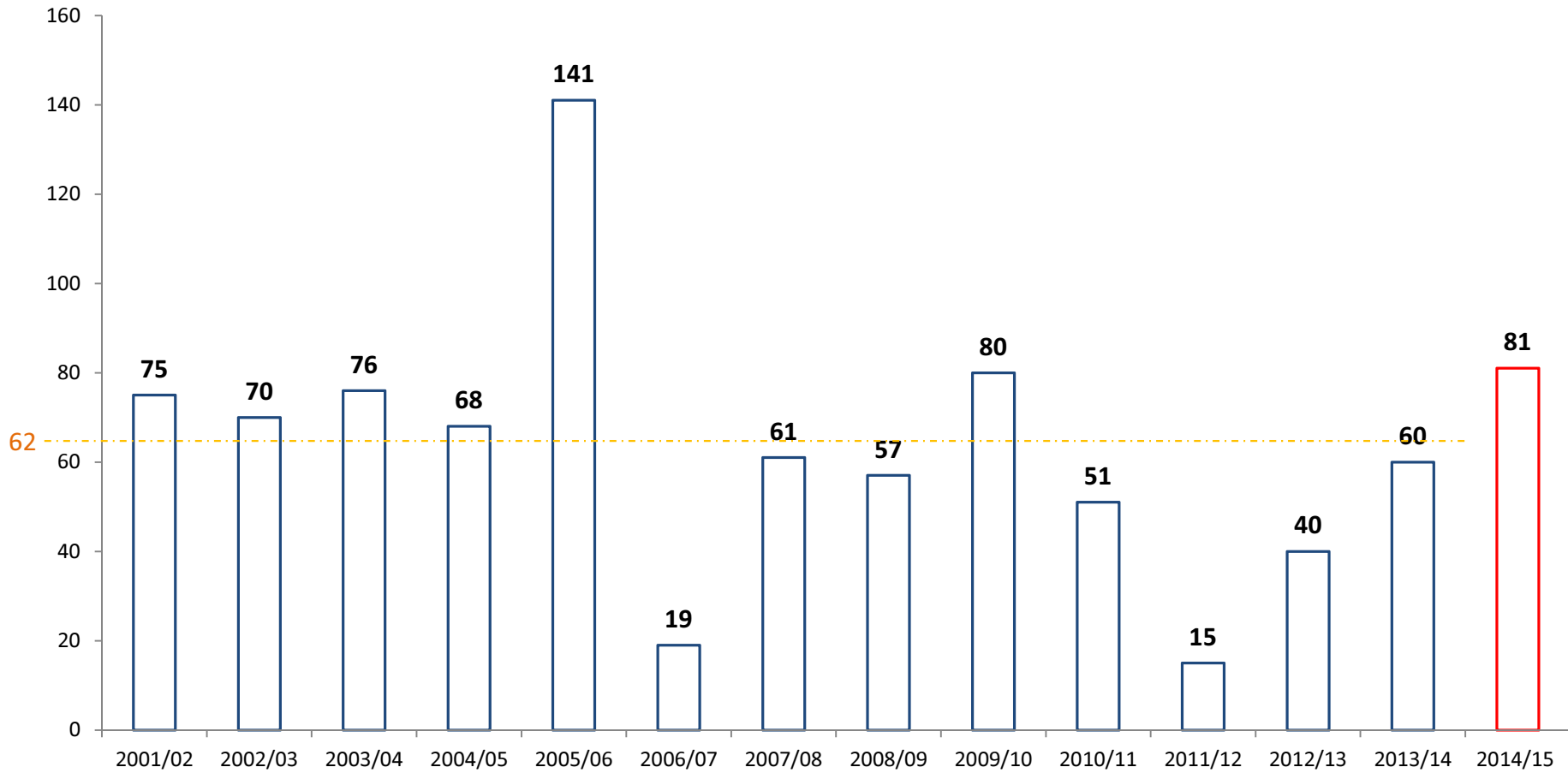Potential to achieve significant community outcomes

Maintaining and preserving key housing stock

Sevenoaks Almshouses

- Much-needed affordable housing in Sevenoaks Town

- Within walking distance of shops/amenities

- Residents have good on-site support

- Bungalows in Weald Village

- Good management in place

- Organisation has consequently invested additional money
  into the scheme

Delivery of affordable housing (01-13)

Year	Value
2001/02	75
2002/03	70
2003/04	76
2004/05	68
2005/06	141
2006/07	19
2007/08	61
2008/09	57
2009/10	80
2010/11	51
2011/12	15
2012/13	40
2013/14	60
2014/15	81

62

Some example social housing projects

Halstead Place School, Halstead	SR / IR
Shurlock Avenue, Swanley	AR
Well Road, Otford	SR / SO
Crowhurst Lane, W Kingsdown	SR / SO (RES)
Eden Valley School, Edenbridge	SR / SO / AR
Bonney Way, Swanley	AR / SR (OP) / AR (GN)
Searles Court, Swanley	SR
r/o Garden Cotts, Leigh	AR / SO
Fawkham Road, W Kingsdown	AR
Chiddingstone / Chidd Causeway	SR / AR

Potential strategy tactic for the future

Cross-subsidy housing development models

- A move away from core activities

- Alternative to traditional funding routes

- Private rented/market sale

- Generate cross-subsidy to fund affordable element

- Homes to meet 'need' and 'demand'

- Social purpose / maintain healthy balance sheets

Income, spending and planned projects

In summary, as at 25/04/14:

- Received in the bank: **£1,858,792**

- Of this, **£1,030,114** committed/spent on approved projects

- Total uncommitted funds: **£828,678**

Update from previous committee

- Tenants' Incentive Scheme (TIS)

- Under-occupation Strategy (adopted 2012)

End

This page is intentionally left blank