



Draft Housing Strategy 2018-2023



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Foreword – to be written by Cllr Cleary/Bob Jackson/Flo Churchill

1. Introduction

Our District covers an area of 300 sq. miles and has a population of around 179,200 people, of which over 24,000 people live in the New Forest National Park. Located on the south coast between the Southampton and Bournemouth/Poole with good connections to London, the district is a desirable and attractive place to live.

The New Forest District, which covers around 205 sq. miles surrounds the New Forest National Park (Fig1). The Council's area also includes part of the Cranbourne Chase and West Wiltshire Downs Area of Outstanding Natural Beauty (26 sq. miles), Green Belt and areas of countryside of national and international importance for Nature Conservation.

Whilst there is high demand in the area for housing, significant environmental constraints limit the extent to which all of that demand can be accommodated. Providing additional housing, and particularly affordable housing for local people, is a particular problem. House prices are generally high and many local people struggle to find housing they can afford to live in within the district.

This strategy addresses housing issues within our area and within the National Park. While the District Council is the housing authority for the whole of the district, within the National Park Area it is the National Park Authority which is the local planning authority. It is therefore essential to the success of this strategy that we work closely and collaboratively with the National Park Authority on housing issues.



(Fig.1)

The housing strategy 2018-2023 has been developed to guide the future planning and delivery of new homes within our District to meet local needs, and guide the management and direction of our housing service. Whilst local authorities are not required by Government to have a formal strategy for this purpose, they are expected to have a strategic approach to housing in their local areas to facilitate a thriving housing market and consider local housing needs.

We remain the biggest provider of housing within our District, managing our own housing stock of 5,044 properties in the social rented sector and are committed to ensuring that it gives continued support to district residents in addressing their housing needs. There are currently (August 2017) in excess of 3,000 people on the Homesearch register.

This housing strategy is influenced by and responds to three significant factors affecting housing services and provision.

Firstly the Housing White Paper published in February 2017, '*Fixing our broken housing market*', recognised the failures of the current system to build enough homes to meet peoples housing needs. It recognised the need to build more homes and to diversify the housing market. As part of a package of measures it suggested that local authorities should be doing more, not only by enabling more homes to be built through their planning policies and the planning process, but also as providers and promoters of housing.

Secondly, both us and the National Park Authority are in the process of reviewing our Local Plans. Changes in national planning policy (in the National Planning Policy Framework) mean that we both need to review our strategic policies and increase the supply of land for new housing to address 'objectively assessed (housing) need'. Both Local Plan reviews will address housing provision over the period 2016 to 2036.

Thirdly, welfare reforms including the benefit caps, 'bedroom tax' and the roll out of Universal Credit, which have been brought in by the Government over the last few years, have had a significant impact on the delivery of housing services.

Relationship with other strategies

The housing strategy is underpinned by our corporate vision:

To secure a better future for the New Forest by;

- *Supporting local businesses to prosper for the benefit of the community*
- *Assisting the well-being of those people who live and work within the district*
- *Protecting the special and unique character of the New Forest*

The Corporate Strategy sets out our priorities as:

- Helping local business grow
- More homes for local people
- Service outcomes for the community
- Protecting the local character of our place
- Living within our means
- Working with others to achieve more

Ensuring local people have access to suitable affordable housing is a key responsibility for us as a provider of housing and as the Local Planning Authority. This high level strategy is the over-arching document that promotes suitable and sustainable housing provision, whatever the tenure.

Access to suitable housing that is affordable is an issue for many people in our district and a key part of this strategy is to consider ways to ensure that a range of housing choices which are affordable to local people are available within the district.

The strategy document sets out the housing challenges within our district and explains how we intend to address issues through themes which respond to the challenges and actions as to what we will do to address these themes. An action delivery plan sets out in more detail how we propose to achieve addressing housing challenges.

The planning system has a key role to play in ensuring the right type of housing is delivered in our District through the Local Plan. . This will identify where new development can take place and influence the type of housing (size, tenure, and affordability) to be provided. This housing strategy has an important role to play in influencing the development of planning policy in both ours and the National Park Authority's Local Plans (2016-2036) and steering those policies to ensure that local housing needs are addressed.

The New Forest National Park Partnership Plan (2015-2020) priorities includes an aim to strengthen the well-being, identity and sustainability of local communities, and recognises that part of achieving this will be through providing affordable housing for local people (Action LC5). This Housing Strategy will support the National Park Authority in achieving its aim of sustaining local communities.

2. The Challenges

Housing Affordability

House prices within our district are high and many households do not have an income sufficient to buy a home on the open market; there is a demonstrated need for affordable housing.

A study was commissioned by us to consider affordability of housing within our District including the National Park. It helped to understand the role that different tenures and types of housing provision play in addressing housing needs.

Affordability has become an issue for a broader section of society and many households are unable to exercise a reasonable degree of choice to meet their housing needs. Households who would not traditionally have sought affordable housing are increasingly unable to afford market housing impacting on individuals, the economy and the environment.

This is an attractive area to live and, due to households from higher value areas who have significant purchasing power as well as second home ownership, house prices have increased making it difficult for local people on lower incomes to purchase or even rent an open market home.

Average District property prices are around £370,000 with an entry level property around £225,000; this would require an annual income of around £42,000 to purchase a home. Private sector rents range from £650 pm for a 1 bed and up to £1,450pm for a 3 bed property requiring an income of around £27,000pa to access the rental market.

Based on 2016 data, the average income of resident population is around £29k per annum and for workplace (employees) is around £27k per annum. This highlights the issue of affordability.

In parts of our District, including the National Park and southern coastal area, property prices are particularly high. The New Forest National Park has the highest average property price of any National Park in the UK, highlighting the challenges around affordability.

Affordability can be particularly challenging for rural residents often committing higher proportions of their income to housing costs. This can impact on the sustainability of rural communities which can become less diverse.

The New Forest is a thriving working forest with many agricultural practices intrinsic to sustaining its heritage. Hampshire Alliance for Rural Affordable Housing which is a strategic body of local authorities, of which New Forest DC is a founding partner, supports the delivery of the rural affordable housing agenda and works with us and the National Park Authority to ensure that rural affordable homes are indeed affordable in perpetuity.

This housing strategy will help inform our Local Plan housing policies on the affordable tenure types that are most in need. The study highlighted that social and affordable rent

products remain the highest needed for those accessing affordable housing and who cannot afford to access the private sector.

Shared ownership and shared equity will continue to be supported to encourage home ownership. Whilst it is possible to access the private rental market with an income of around £27k as well as to access shared ownership, it is felt that this option remains affordable for a proportion of residents.

This housing strategy will monitor emerging housing tenure options as well as effects on affordability in order to react and adapt to changing needs and markets. It will also consider the viability issues relating to delivering affordable housing on developer led sites and work with planning policy on robust viability assessment through the Local Plan review.

Providing homes for an ageing population

New Forest District has an ageing population; around 40% of the population is aged 55 and over; this is expected to increase over the next 20 years. Of that percentage, 9% of the population are aged 75-84 and 4.5% aged 85 and over. This is also set to increase over the next 20 years.

A demography study has been carried out to consider demographic projections for our Local Plan and also consider the impact of projected growth in the older population.

Evidence provided as part of the study and a report carried out by the Housing and Learning Information Network (Housing LIN) highlights an increased need for specialist housing (sheltered/extra-care) as well as registered care. In the district in total around a fifth of the housing being proposed in our Local Plan 2016-2036 will need to address this and of which 45% will be required for affordable housing provision, presenting a significant delivery and funding challenge.

The demography study also suggests a growth in older population with dementia and for an older population with mobility problems. Housing provision for an ageing population and ensuring affordability are key areas for the strategy actions.

There will be a need to ensure that our own housing stock as well as homes provided by developers and partner Registered Providers are suitable and adaptable to needs as well as providing opportunities for older residents to down-size.

New housing legislation and welfare reform

Alongside Welfare Reform the implementation of the Homeless Reduction Act in April 2018 will be a major factor for us to consider and plan for, in particular temporary housing provision to meet potential increased need as well as providing information and resources to assist people to resolve their own housing situation.

Homelessness prevention is a primary statutory function for us in providing prevention advice and a range of temporary housing options to meet those needs.

Welfare reform is impacting on the affordability and availability of homes and the type of homes demanded. Key issues can be summarised as:

Bedroom tax – Housing benefit is reduced for people living in council or housing association properties that have an additional bedroom not being used and for people of working age. This will clearly impact on the affordability of those living in larger homes but will also require the need for smaller homes to accommodate existing residents needing to down-size and for newly forming households with a single occupant and couples.

Local Housing Allowance – This is the way of working out how much housing benefit a resident can get to help pay the rent if they have a private landlord. These levels have been frozen for 4 years and will not rise with the rate of inflation. This will impact on the private rented sector as residents in receipt of housing benefit whose rent is higher than the LHA will need to top-up the rent. This could see an increase in rent arrears in the private sector and implications resulting from this.

Benefit Cap restrictions and Universal Credit – The Benefit Cap is a limit on the total amount of certain benefits someone can get if they are working age. It affects those in receipt of housing benefit or Universal Credit. Entitlement levels impact on a range of households' ability to afford to live in our District.

Single claimants – single applicants aged under 35 (without children) are restricted as to how much housing benefit they are eligible for and will only be eligible for Local Housing Allowance (LHA) rates for shared accommodation.

This will lead to an increased demand for shared accommodation within a house or flat. Future development of affordable 1 bedroom accommodation will need to be considered as these properties will not potentially be affordable for applicants under 35 in receipt of housing benefit or Universal Credit.

Further proposed changes to the housing element of Universal Credit entitlement for 18-21 year olds are likely to further impact on housing options for this age group and result in hidden youth homelessness.

Disabled claimants – The most vulnerable in our area, reliant on disability benefits, have been affected by Welfare Reform including a reduction in Employment and Support Allowance (ESA) with the abolition of the work related element and in most cases are not exempt from the 'bedroom tax' which may affect their ability to meet rental costs for properties not specifically designed for purpose.

Families – Families with more than 2 children will be affected by benefit caps as housing benefit will not be uplifted for more than 2 children; therefore those housed in larger properties to meet their needs will not see an increase in housing benefit to cover the higher rent.

Other key challenges include reductions in rents (1% each year until 2019/20) which will benefit our tenants but will impact on future housing management and delivery. Right to buy sales in the District are also high which impacts on the level of housing stock.

Housing delivery through the Local Plan 2016-2036

We are the local planning authority outside the National Park, and the National Park Authority within the National Park. Both authorities are responsible for preparing the Local Plan for their areas which guide planning decisions on development.

The policies in these Local Plans not only set out where new housing development can take place but can also set policies on the type of housing to be provided, including types of tenure and affordability. As such appropriate Local Plan policies have a key role in delivering significant parts of the housing strategy for our area and ensuring the housing which is delivered addresses local needs.

Although this housing strategy includes a commitment by us to deliver new housing on our own land, most new housing development will be by private development companies. Appropriate planning policies in our Local Plans will be used to ensure housing development provides for new homes in a range of different tenures which are affordable to the spectrum of households needing to access housing in the district.

To address the housing needs of our area, Local Plan policies should seek to secure provision of new social and affordable rented homes, shared ownership/shared equity homes, rent to buy and starter homes, to address the needs of those that cannot afford to buy (or rent) property on the open market.

This housing strategy will need to consider ways of ensuring this is delivered by partnership working with developers, land owners and partner Registered Providers.

Local Plan policies will aim to prescribe the number and proportion of affordable homes provided as well as by tenure, size and mix.

Best use of existing housing stock

Poor housing conditions have a major impact on health and well-being particularly the vulnerable such as older people, people with disabilities and low income households. Maintaining and adapting the condition of housing stock may prevent the need for more costly health and care interventions that often come with a reduced quality of life.

The strategy will consider ways of improving quality of our own stock; the Housing Asset Management team have a schedule of work that will improve and re-provide facilities in existing housing schemes.

There are a number of Council homes within the District which are under-occupied by residents and we will investigate ways to provide tenants that wish to down-size with suitable homes, freeing up much needed family homes.

We will aim to work with private landlords to improve the private rented stock, developing ways of monitoring Houses of Multiple Occupation (HMOs) and how we best use empty properties.

In addition to this we will develop new homes that meet Lifetime Homes and use Modern Methods of Construction to ensure they are energy efficient and cost effective to run. Partner Registered Providers aim to provide quality homes that meet these requirements

and we will work with private developers to ensure that new homes are sustainable, cost effective and energy efficient.

3. Themes

Theme 1 – Maximise delivery of affordable housing through a range of options to meet local housing needs

Our priorities:

1. Contribute to diversifying the housing stock and meeting housing needs by achieving the right tenure, size and mix of affordable housing on new developments
2. Maximise the provision of new affordable homes within the District
3. Build and acquire new Council housing and maximise opportunities on Council owned land
4. Investigate and support provision of alternative tenure options such as starter homes, self-build and community led housing
5. Provide a range of good quality affordable housing options for older people and ageing population

Actions – what we will do

- Develop robust and deliverable affordable housing policies through our and the National Park Authority's Local Plans
- Develop a viability assessment process through the Local Plan review which enables delivery of affordable housing policies
- Work with Registered Providers to ensure homes are affordable by monitoring affordable rents
- Work with Housing Options team on income data to ensure future homes are affordable
- Carry out a Homesearch and resident survey on what tenure options they would like to see
- Develop information and options for those unable to access Homesearch properties

- Through the Local Plan secure affordable housing provision on housing sites of more than ten dwellings outside of the National Park
- Support the National Park planning policies in achieving affordable housing requirements on housing sites within the National Park
- Work in partnership with developers, land owners and Registered Providers to deliver quality affordable homes and cohesive vibrant communities
- Work in partnership with Homes & Communities Agency and Dept. for Communities & Local Govt. to secure grants and funding

- Complete housing development schemes on Council owned land at Compton & Sarum House and Stocklands
- Carry out feasibility on Council owned sites to secure a programme of new build schemes
- Acquire council housing stock through 'buy-back' when properties become available on the open market to meet specific needs in the order of 15 per year

- Allocate 50% of Community Housing Funds for community led housing initiative feasibility work
- Facilitate delivery of 3 community led housing projects
- Develop information, resources and training for community led housing options
- Develop a self-build delivery planning policy
- Work in partnership with providers and lenders to develop starter homes provision
- Work in partnership with specialist providers to secure affordable housing provision for older people

Theme 2 – Address the housing needs of vulnerable and homeless people

Our priorities:

1. Make provision for the Homelessness Reduction Act and improve services in preparation
2. Reduce dependence on bed & breakfast accommodation and investigate alternative temporary accommodation provision
3. Support residents with the impact of welfare reform and implications of Universal Credit
4. Support initiatives to address worklessness, improve skills base and maximise employment opportunities
5. Promote independence and support the creation of accessible homes for people with disabilities or support needs
6. Address the needs of gypsies, travellers and travelling show people

Actions – what we will do:

- Review the impact of the Homelessness Reduction Act on current service provision and implement associated findings including updating policies and procedures
- Improve and increase homelessness prevention support and advice
- Review and update homelessness policy
- Review fixed term tenancy process and procedures

- Assess current hostel provision and investigate alternatives
- Investigate options of purchasing and remodelling properties for temporary accommodation

- Welfare reform and universal credit - Assess the impact on residents and our services
- Partnership working with other housing services, stakeholders and economic development

- Accessible homes - Work in partnership with other housing services and stakeholders to deliver homes that meet specific needs
- Investigate the need to deliver a percentage of homes that are accessible and adaptable and suitable for wheelchair access

- Gypsies, travellers and traveling show people – make provision through appropriate Local Plan policies

Theme 3 – Partnership working to address the housing needs of New Forest residents

Our priorities

1. Work in partnership with developers, land owners and registered providers to inform and support affordable housing delivery.
2. Maintain and improve the Council's own housing stock
3. Deliver rural exception sites to meet the needs of rural communities
4. Consider opportunities for the efficient use of existing housing stock
5. Support initiatives to address worklessness, improve skills base and maximise employment opportunities

Actions – what we will do:

- Support Registered Providers in bidding for Homes & Communities Agency grant and investigate other funding opportunities
- Establish a Registered Provider forum and hold a minimum of 3 meetings per year
- Attend and input into strategic groups which impact on the District boundary: Partnership for Urban South Hampshire (PUSH), Strategic Housing Officer Group (SHOG), Hampshire Alliance for Rural Affordable Housing (HARAH)

Council stock:

- Complete 8 re-modelling schemes of former older persons accommodation
- Continue major works programme on Council stock to maintain Decent Homes standard
- Continue to upgrade work on communal lounges and associated areas
- Fully implement new financial assistance policy for Disabled Facilities Grants/loans and repair grants
- Review Houses of Multiple Occupation licencing requirements and prepare new policy
- Maintain the Private Sector Leasing Scheme at minimum 100 homes

Rural provision:

- Work in partnership with local communities, parish councils and Hampshire Alliance for Rural Affordable Housing (HARAH) and Hampshire Village Homes to deliver affordable housing schemes on rural exception sites
- Investigate viability and affordability of rural housing delivery and develop protocols for future delivery on rural exception sites

Existing housing stock:

- Investigate under-occupation and options for residents to down-size in council housing stock
- Investigate empty homes opportunities, develop a procedure and maximise opportunities to use as temporary housing

4. Implementation

Key elements of the housing strategy will be implemented through the planning process and the policies of our Local Plans for the District and National Park Authority. An action plan (appendix 1) sets out how the housing strategy will be implemented by the Council in partnership working with a range of stakeholders in the public and private sectors.

In addition investment in future housing will be from our Housing Revenue Account (HRA). Other funding opportunities will be sought through Central Government including through funds like the Community Housing Fund and other initiatives including for self-build, infrastructure funding and homelessness prevention.

Inward investment by others will be important including registered providers and Homes England (formerly Homes & Communities Agency), particularly through the Affordable Housing Programme and targeted initiatives. We will work closely with Homes England to secure funding where appropriate and support others in their bids.

5. Monitoring & Review

Some of the actions in this strategy are short term and will be achieved quickly. Others will take many years to realise. It is important to be aware that there are many influences that mean the needs of our communities will change over time. The housing strategy must respond to these changing needs.

Government borrowing and spending is under continual pressure and the welfare system continues to undergo radical change. Emerging government policy around housing clearly sets a long term priority to increase house building through accelerated construction investment.

At a national level, emerging Government policy is trending towards owner occupation. Local housing policies seek to address the requirements and supply to all tenure types and housing sectors. As a Housing Authority, we must capitalise on this and play a role in helping communities shape their future.

This Housing Strategy and Action Plan will be monitored and reviewed so that they are responsive to national and local changes to ensure the housing needs and ambitions of our communities are met.