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To: Regeneration and Economic Development Policy Overview and Scrutiny Committee – 24 March 2010

Subject: Update - Kent and Medway Housing Strategy

Classification: Unrestricted

Summary:

This paper summarises and updates the progress made in the development of the Kent and Medway Strategic Housing Market Assessment and Housing Strategy. A number of linkages have been drawn from the continued broad engagement with stakeholders and been used to inform the scope and ambition of the Strategy.

1. Introduction

- 1.1 The development of the Kent and Medway Housing Strategy is a commitment in the Kent Regeneration Framework. Housing is an important issue for the people of Kent and Medway and it has been critical to engage with the broad range of stakeholders to discuss the relevance of the Strategy and to build support for the project.
- 1.2 The ambition is to develop a 'fit for purpose' Housing Strategy for Kent and Medway that provides strategic direction, innovation and actions as a response to the huge diversity of housing need, challenges and opportunities across Kent and Medway. An evidence base that can be described as a Kent Strategic Housing Market Assessment (SHMA) is being developed to support development of the Strategy.
- 1.3 DTZ have prepared the first draft for consultation of the Kent and Medway SHMA which as well as being the evidence base for the Strategy will be used to stimulate debate, strong innovation, challenge, better understanding and new Kent approaches.

2. Housing Strategy, Involvement and Consultation

- 2.1 Some bullet points which describe what the Strategy is and is not, were produced for the Kent and Medway Leaders and Chief Executives meeting (LACE):
The project is:

- An opportunity to identify and develop actions on areas where a Kent and Medway perspective can add value and contribute to delivery of local ambitions
- A fully inclusive process that will reflect existing Strategies without duplication or contradiction
- A case for Government investment in Kent in support of 4 Kent 'Single Conversations' and the context of 16 across SE
- Outward facing that can influence national and regional policy in a way that will benefit Kent and Medway and assist in delivery of local ambition
- An opportunity to celebrate best practice, enhance partnership working and encourage innovation
- A 5,10,15 and 20 year perspective and an opportunity to better understand the impact of the economic downturn and design responses to mitigate the impact and take advantage of upturn when it occurs
- Consistent with emerging Audit Commission expectations: Strategic Approach to Housing – KLOE and Building better lives – Getting the best from strategic Housing

2.2 The project is not:

- A replacement of the District and Borough lead role in responding to local Strategic Housing Priorities
- A replacement to LDFs, local or sub-regional Strategies
- A 'one size fits all' approach

2.3 The Kent Economic Board Housing Task Group which is chaired by Neil Davies, Chief Executive at Medway has been working closely with the Strategic Housing Advisor (see Para 2.6) on the development of the scope and ambitions for the Strategy. Neil Davies presented a report on the Housing Strategy to the Kent Chief Executives meeting in June 2009. The report described the parameters of the Strategy and the involvement of the Task Group.

2.4 The KEB Housing Task Group has been used as an effective vehicle to engage with the HCA and enable a dialogue on a Kent perspective on the 'Single Conversation' process, the new method of assessing investment needs. David Edwards the Regional Director – South East for HCA who is a member of the Task Group has confirmed the relevance of the proposed Kent SHMA and Kent Housing Strategy to the 'Single Conversation'.

2.5 The Kent Economic Board Housing Task Group is made up of the following people:

Neil Davies	(Chairman) Chief Executive, Medway
John Batty	Director of Health & Housing, Tonbridge & Malling
Mike Bodkin	Head of Urban Regeneration, KCC
Graham Harris	Managing Director, Dartford

Megan McKibbin	Executive Director, KEB
Glyn Thomson	Chief Executive, Gravesham
Deborah Upton	Assistant Director, Medway
David Edwards	Regional Director – South East,
Richard Samuel	Chief Executive, Thanet
Jon Rosser	Chief Executive, TCHG
Bob Porter	Chair Kent Housing Group
David Petford	Chief Executive, Maidstone

2.6 A temporary post of Strategic Housing Advisor has been established by KCC with responsibility:

- To work with the KEB Housing Task Group to create a strategic overview of housing demand, housing management and housing supply issues affecting Kent & Medway now and for the next 10 to 15 years in a single Housing Strategy.
- To commission appropriate external expertise to provide analysis and input to the Housing Strategy, using the resources of KCC and attracting resources from partners (in cash and in kind), wherever possible.
- To actively promote innovative responses to the challenges identified.
- To create and lead the multi-agency team which will report on progress to the Task Group, to KCC and to the wider Kent Partnership.
- To liaise and negotiate with relevant regional and national bodies to help create the strategy and the means of implementation

2.7 The Strategic Housing Advisor is involved in a continuing process of engagement with opinion formers and stakeholders across and outside of Kent. Meetings to review and get feedback on what a 'fit for purpose' Strategy should deal with and capture learning from relevant experience have been held with a broad span of stakeholders.

2.8 Face to face meetings have been held with representatives from:

- All Kent and Medway Local Authorities
- Homes and Communities Agency (HCA)
- The Audit Commission
- GOSE
- Kent Developers Group
- National Landlords Association
- Shelter
- National Housing Federation (NHF)
- Town and Country Housing Group
- AmicusHorizon Housing
- Orbit South Housing
- HMY Chartered Architects
- SEEDA

- SEEPB
- Greater London Authority
- South London Housing Partnership
- Thames Gateway Kent Partnership
- Action with Communities in Rural Kent
- Housing Strategy and Enabling Group
- Kent Planning Officers Group
- Kent Housing Technical Working Group
- Kent Joint Policy and Planning Board (Housing)
- Kent Housing Group

2.9 LACE asked for an opportunity to review the scope and purpose of the strategy and Leaders reviewed progress on development of the SHMA and Strategy at their meetings in November 2009 and February 2010. The Kent Chief Executives have also received a progress briefing at the January 2010 meeting. The first and second stakeholder events for the SHMA were delivered at Oakwood House in Maidstone on 8 December 2009 and 20 January 2010, with a third event planned for 16 March 2010. The events have been well attended with delegates including colleagues from local government, regional government, HCA, Developers, and RSL's.

2.10 The Kent Housing Group organised a luncheon briefing Chaired by Jon Rosser for lead members for Housing in Kent. David Edwards presented information about the Kent and Medway Housing Strategy and also the "Single Conversation". Neil Davies briefed members on the role of the KEB Housing Task Group and Chaired a question and answer session on the Strategy. The members received a briefing on what the Strategy 'is' and 'is not', this proved to be a good opportunity for Lead Housing Members to be engaged in the Strategy development process and to voice thoughts about the direction and content of the Strategy. Members have asked to meet again at key milestone points in the Strategy development, a further update briefing was delivered to Members on the 14 January 2010 with a third briefing planned for the 8 March 2010 .

3. SHMA and Emerging Issues

3.1 The emerging scope of the Strategy is being refined on an iterative basis to reflect feedback from stakeholders and learning identified in the SHMA.

3.2 The Kent SHMA Specification outlines the requirement to draw together without contradiction or duplication the work that has or is being progressed at the District/Borough or Sub-Regional level, to be able to effectively describe a Kent and Medway perspective.

3.3 A parallel piece of work is being progressed by SILK (Social Innovation Lab for Kent) as part of 'Houses as Homes' to conduct an ethnographic

study of the housing experience of offenders and the impact of differential resettlement outcomes. This research has been designed to build a greater understanding of how housing issues contribute to reoffending to inform stronger joint working between agencies with the overall aim of contributing to a reduction of reoffending.

- 3.4 Work on the Strategy has already stimulated discussion and analysis of Kent perspectives on the nature of Housing in Kent, taking the longer view and thinking through how we shape the future supply of homes and deliver strong, diverse and vibrant communities. We need to build on this as we bring forward the SHMA and Strategy if we are to maximise the impact of the work.
- 3.5 As an example, attention is being given to new opportunities being identified from a potential response from the Private Rented Sector to fundamental changes that have occurred in the housing market since 2007, there has been renewed interest in the private rented sector as a tenure from policy makers and private sector developers and investors.
- 3.6 The HCA are currently exploring a private rented sector initiative which would encourage large scale institutional investors to own and manage private rented properties, supported initially by the HCA in order to reduce the risk of investing in an asset class that is, as yet, unproven. The Kent Strategy presents a significant opportunity to examine the private rented sector within Kent and consider the future of this tenure, given the changes in the market and the recent shift in policy and attitude to this segment of the market. DTZ are working with HCA on this initiative and CBRE are acting for Aviva who have identified a potential investment of £1 billion.

4. Strategy Development

- 4.1 Clare Skidmore is an independent consultant working on issues relating to Older Adults in partnership with David Weiss Head of Public Private Partnerships and Property Team in Kent Adult Social Services. A number of existing and new work streams are progressing through 'Task and Finish' Groups in partnership with Kent Housing Group, Joint Policy and Planning Board and the Housing Strategy and Enablers Group.
- 4.2 We are also working with the outputs from Farrell's work on the spatial vision for Kent and have provided some housing related ambition statements that reflect the broad themes of the Farrell's work.
- 4.3 The emerging themes for consideration in the Strategy that have been developed from the continuing engagement with stakeholders include: Rural Homes, Disability, Infrastructure, Private Rented Sector, Land, Supply, Regeneration, Design, Climate Change, Empty Homes, Sustainable Communities, Supporting People, Learning Difficulties, Offenders, Young People, Mental Health and Kent Home Choice.

4.4 We have also secured CBRE's support in the development of the Strategy, this is important if we are to effectively respond to our ambition to innovate and look beyond the obvious solutions. CBRE are working with us and DTZ to evaluate a range of strategic options available for addressing the issues identified in the SHMA. The partnership with these market leading international consultancies underscores our commitment to showcase Kent, and provide an opportunity for Kent to influence the development of strategic thinking both at a local and national level.

4.5 DTZ have identified in the development of the draft SHMA the following summary of challenges for consideration in the Kent and Medway Housing Strategy:

- How to plan homes and communities for an aging population.
- What, if anything, to do about growing household income inequality.
- What approach should be taken to poor affordability of home ownership and the extent to which rented homes should be supported?
- How to define and address priority housing needs during a period where new housing delivery is challenging.
- How to secure delivery of market and affordable homes following the downturn.
- How to regenerate deprived areas of Kent and Medway.
- How to improve the environmental sustainability of new homes and the existing stock.

4.6 CBRE have summarised the strategic key issues for development in the Strategy as:

- Access to finance for first time buyers
- Need to facilitate new forms of tenure
- Improving stock
- Maintaining the delivery of affordable housing
- Effective use of assets to deliver more
- Enhancing / learning new skills to respond to new circumstances

5. DTZ Margate and Cliftonville

5.1 A number of linkages have also been established between the Housing Strategy work and the priority to respond to the housing related problems associated with multiple deprivation in Margate and Cliftonville.

5.2 DTZ have been commissioned to develop a model for an intervention that reflects Thanet District Council's Margate Renewal Strategy and priorities

5.3 The aim is to develop a strategy for a housing based intervention in the Cliftonville West and Margate Central wards to address housing and social issues in the area identified at the multi agency meeting chaired by Richard Samuel on 3 December 2009.

5.4 A key priority is to ensure that all stakeholders are fully engaged and that we are able to use the initiative to lever significant inward public and private investment into Margate and Cliftonville. DTZ are due to present their initial findings and recommendations for action in April 2010.

6. Conclusion

6.1 So in conclusion, the Strategy will not simply be a re-presentation of existing data sources it will use that information to identify opportunities, approaches, policies and products to support our ambitions for current and future responses to housing issues – across all forms of housing tenure and in relation to existing homes as well as new development. It will stimulate relevant actions on issues that are identified as common concerns across Kent and that would benefit from a pan-Kent strategic approach.

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Background Documents:

Draft Timetable