

**SUBJECT: NEW HOMES STRATEGY – EMERGING EVIDENCE BASE**

**DIRECTORATE: HOUSING AND INVESTMENT; MAJOR DEVELOPMENTS**

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## 1. Purpose of Report

1.1 To present the emerging data from the draft New Homes Strategy.

## 2. Executive Summary

2.1 The New Homes Strategy is required to set out the strategic approach to delivering new homes across all tenures over the next five years.

2.2 The Central Lincolnshire Local Plan sets a target of 374 units per year required in Lincoln to meet the needs of the growing population and address the annual shortfall in new build housing over the last 5 years.

2.3 A total of 548 council homes have been sold through Right to Buy since April 2014, an average of 39 properties per annum. The rate of RTB has increased in more recent years with an average of 61 sales per annum over the last 3 years.

## 3. Background

3.1 The rate of Housing delivery in Lincoln has fallen significantly short of demand across all tenures over the last five years. As shown in the following table

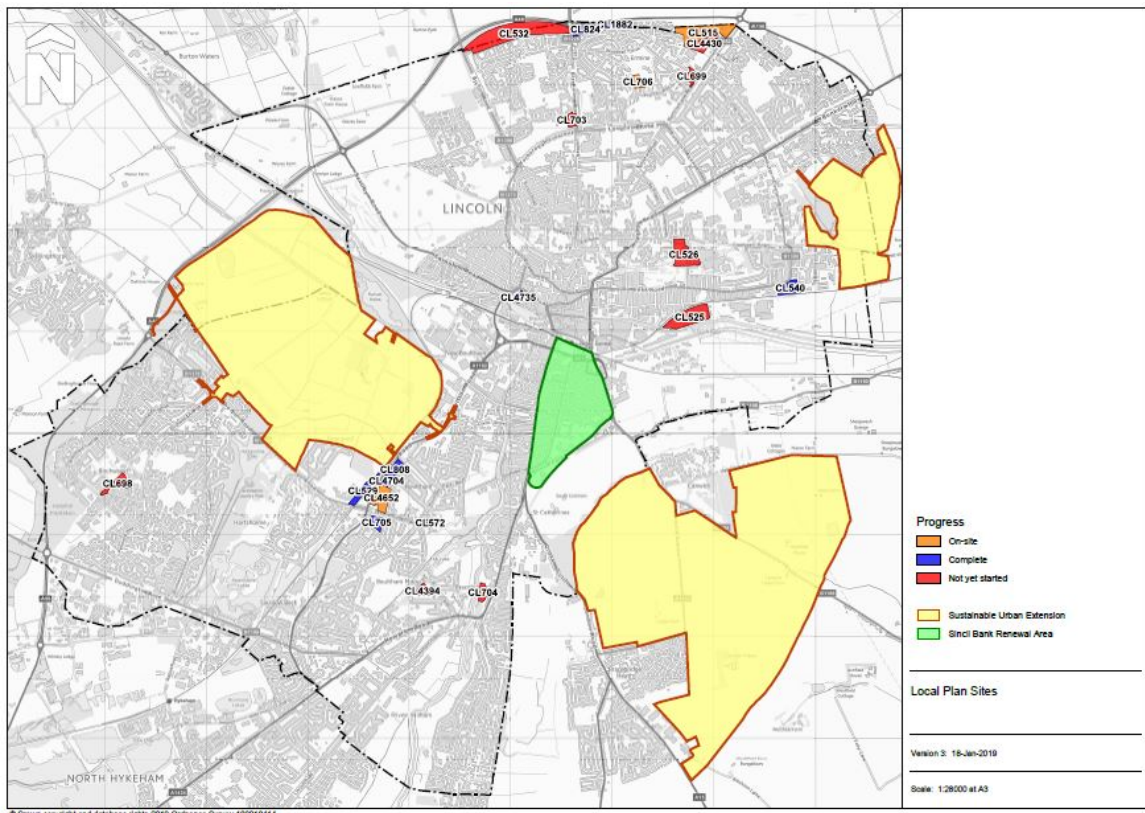
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Total
Completions	233	236	166	235	188	191	1249
Private Ownership	190	227	139	178	177	170	1081
Affordable Housing	43	9	27	57	11	21	168

3.2 The Housing Strategy 2017-2022 sets out our commitment to build 220 council owned homes by 2021 five years

3.3 As part of the new build programme the City of Lincoln Council, by the end of 2018/19 financial year, will have delivered or facilitated 281 new homes across brownfield and greenfield sites by the sale of land and buy back of properties.

In 18/19 the city of Lincoln council have secured planning approval for 390 new homes and enabled registered housing providers and private developers to secure Homes England gap funding and development sites for an additional 321 new homes.

- 3.4 The following map shows housing sites that have been or are in the process of development as well as those allocated for housing in the Central Lincolnshire Local Plan.



#### 4. Introduction to the New Homes Strategy

- 4.1 The New Homes Strategy will be an overarching strategy outlining the process for how we will increase the supply of housing across the city. Alongside the strategy there will be a five year action plan identifying the number of homes, tenure and size for each development site.
- 4.2 The strategy will review the evidence of Lincoln’s housing need and current housing provision across the following tenures:
- Private Ownership
  - Private Rent
  - Affordable Homes
- 4.3 The strategy will set out the delivery mechanisms for the new homes programme, outlining the responsibility for delivery for the Housing Strategy, Major Developments, Housing Investment and Allocation teams.

- 4.4 The strategy will set the development objectives which includes setting the standard for new homes, approach to lifetime homes and partnership working to ensure an improvement in standards of new homes.
- 4.5 The strategy will identify the approach to communication and tenant involvement in the new homes programme.

## **5. Emerging Evidence**

### **5.1 Homes from Private Ownership**

There are six sites, owned by the City of Lincoln Council, anticipated to come forward for development over the next 5 years enabling the completion of 222 new homes for private ownership.

In addition the Central Lincolnshire five year land supply report anticipates 635 homes from other development land sites within Lincoln will come forward for development of which 497 will be for private ownership.

The number of homes for private ownership expected over the next five years totals **719**

### **5.2 Affordable Homes**

A review of the strategic housing market assessment methodology for affordable housing need carried out in 2018 reveals that the annual supply of 273 affordable homes will be needed over the next 5 years to address the sizable backlog in Lincoln, lowering to 244 per annum for the remainder of the local plan period (2032) to meet newly arising future affordable housing need once the backlog is cleared.

The six city of Lincoln council owned sites due to come forward for development over the next 5 years are expected to provide 276 new council homes. In addition 437 new affordable homes are expected to be delivered on sites in private ownership.

The number of affordable homes expected over the next five years totals **713**

### **5.3 Council Homes**

A review of the housing register was carried out in October 2018 and reveals that there is a need for an annual supply of 273 new homes to meet the demand for people not currently accommodated in a council property. Of these 52.6% of people currently waiting for council housing need a 1 bedroom property, 25% need a 2 bedroom property and 20% need a 3 bedroom property.

A review of existing council households carried out in October 2018 reveals that there are 309 properties that are currently classed as overcrowded with a high demand for 3 and 4 bedroom houses.

The emerging data suggests that building more 2, 3 and 4 bedroom properties would enable existing tenants to move out of 1 and 2 bedroom council properties that are currently overcrowded. This would enable 1 and 2 bedroom properties to become available to those currently people on the housing register waiting to move into a council home for the first time.

#### **5.4 Further Evidence to inform the strategy**

- 5.4.1 The following research studies are underway and will provide an important evidence base to enable completion of the five year action plan for new homes in Lincoln and the New Homes Strategy.
- 5.4.2 The Central Lincolnshire Local Plan Team will be undertaking a review of the local plan policies in 2019/20 and this will include a new Strategic Market Housing Assessment (SHMA) to identify a breakdown of the housing needs figures provided in 2015 to inform the housing mix required by tenure and size at ward level within Lincoln and Parish level within North Kesteven and West Lindsey District Councils. The SHMA expected to be completed in September 2019.
- 5.4.3 The District Housing Network have commissioned a review of the accommodation needs for elderly people. Phase one of the report provides the evidence base for the projected need across all types of accommodation for older people in Lincoln and across Greater Lincolnshire. We are awaiting the outcome of phase two of the report which will inform future housing delivery and support options in Lincoln and Greater Lincolnshire. Phase two of the accommodation needs for older people is expected in June 2019.
- 5.4.4 Due to the far reaching implications of the New Homes Strategy there is a need for further consultation which will be developed in accordance with the Council's Corporate Consultation and Engagement Strategy.

### **6. Strategic Priorities**

#### **6.1 Let's drive economic growth**

Where possible we will encourage the use of local labour, contractors and suppliers to create inward investment.

#### **6.2 Let's reduce inequality**

The delivery of new affordable homes will enable access to housing by residents of Lincoln who find it most difficult to find their needs met by the private sector offering.

#### **6.3 Let's deliver quality housing**

All homes built will be to modern, energy efficient standards and will contribute directly to our 2020 Vision for housing.

#### 6.4 Let's enhance our remarkable place

The development of sites will be sympathetic to the locality in which they are situated.

### 7. **Organisational Impacts**

#### 7.1 Finance (including whole life costs where applicable)

The majority of the delivery of new build housing brought in to the council's ownership this year has been through a buy back scheme with Waterloo Housing Group. Executive members granted delegated authority for the Chief Financial Officer to proceed with the buy back's on a site by site basis once cost information had been submitted.

This has been successful and the Development and Strategy Team are continuing to work closely with finance to monitor budgets to ensure HRA gets best value in terms of quality and cost for monies expended moving forward.

We will continue to seek funding opportunities for Homes England funding to enable more affordable homes.

#### 7.2 Legal Implications including Procurement Rules

Legal have been heavily involved in the buy back process to acquire the New Build properties as previously reported. This will continue for all buy backs and acquisitions as required.

All procurement activity in relation to the New homes programme will be undertaken in line with the requirements of both the Council's Contract Procedure Rules and ultimately Public Contract Regulations 2015.

#### 7.3 Land, property and accommodation

The progress of development may require the purchase of land and as such authority will be sought on a site by site basis along with evidence of housing need within the location of the sites.

### 8. **Recommendation**

#### 8.1 To consider the emerging evidence for the draft new homes strategy and consult on the strategic options and opportunities for the Council to increase the delivery of new homes across all tenures in Lincoln.

<b>Is this a key decision?</b>	No
<b>Do the exempt information categories apply?</b>	No
<b>Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?</b>	No
<b>How many appendices does the report contain?</b>	None
<b>List of Background Papers:</b>	None