



**Cotswold District Council**

## **HOUSING PLAN 2016-2020**

# **Sustainable homes for thriving communities**

**Incorporating the Housing Action Plan, Homelessness Strategy,  
Strategic Tenancy Policy and Policy on Discharging Statutory  
Homelessness Duty into the Private Sector.**

**July 2016**

## **Foreword by Cabinet Member for Housing and Communities**

**Welcome to our new Housing Plan which is the strategic housing framework, setting out Cotswold District Council's vision and plans for housing in our district for the next four years. The Housing Plan works within the context of the Local Plan which sets out the Council's policies and proposals for spatial development and land use, including infrastructure.**

**We understand the importance of housing to the health and wellbeing of our residents and communities. Good quality, safe, warm and affordable homes with the right level of support are essential to achieving a good quality of life.**

**The Council no longer owns housing stock, having transferred its housing to a registered provider in 1997. New homes are delivered and the quality and performance of existing homes is improved through strong partnership working.**

**We made good progress during the last Housing Plan "Local Homes for Local People" 2012 - 2016. Some of the achievements are listed in this document, including the level of delivery of affordable homes; and the introduction of new affordable tenure types to offer greater choice to our residents.**

**However, we do not underestimate the challenges ahead. It is a time of rapid change nationally, as the Government introduces new planning and housing policies. These include the focus on home ownership rather than rented accommodation; welfare reform; the change in funding arrangements for registered providers including rent reductions and the extension of the Right to Buy to the tenants of registered providers.**

**This Housing Plan reflects the current situation with regard to housing, and the foreseeable developments on the horizon, we know that we will see further political, legislative and social changes over the lifetime of this plan. This document therefore sets out the framework within which we will ensure that we are focused on the right priorities for the district, while also providing enough flexibility to ensure that we can respond to new situations and take advantage of new opportunities as they arise in order to deliver the right homes in the right place to best meet the district's needs. This means we will need to work creatively and collaboratively with our partners in order to continue to deliver outcomes.**

**I look forward to seeing the successful delivery of the work that we have set ourselves, and the benefits that this will bring to local people and communities.**

**Sue Jepson**

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## Introduction.

Welcome to the Council's new Housing Plan which supersedes any existing or former strategies. This Plan builds on the outcomes of previous plans and incorporates a number of separate policies and strategies. It includes:

- The Housing Plan
- Homelessness Strategy
- Strategic Tenancy Policy
- Policy on Discharging Statutory Homeless Duty into the Private Rented Sector

Bringing together related policy and strategy documents in one place will facilitate a holistic approach to housing within the district. Whilst contributing to the whole vision each policy or strategy can be reviewed and updated individually in conjunction with its actions.

This Housing Plan looks at the whole housing market recognising that all housing tenures, are important in meeting the housing needs and demands of the district and the relationships between the different sectors. National polls show that most people in England would prefer to own their own home, but barriers such as the availability of finance prevent them accessing that sector (Source: Council for Mortgage Lenders). Consequently, more people seek private rented accommodation resulting in rising market rents and greater demand for social housing.

The Plan also recognises that we will not meet all of our housing requirements through new development. We also need to make better use of our existing housing.

Challenging economic times, strain on public finance and welfare reform require a fresh approach to creating housing opportunities and enabling people to improve their financial position.

The housing vision for the District is that local people can live in high quality homes which they can afford and maintain. The Housing Plan aims to provide the best possible housing opportunities and housing related services to local residents as well as contributing to the Cotswold District Council's draft priorities. These are:

- To provide high quality services at the lowest possible cost to Council Taxpayers
- To protect the local environment whilst supporting economic growth
- To champion issues which are important to local people

The Plan has been produced by the Council in consultation with partners to meet the housing requirements of local people and communities. The Council no longer owns any housing stock, so working with a wide range of partners in the public, private and voluntary and community sectors will be critical to the implementation of this strategy. The Council will need to build on existing relationships and forge new ones to make the most of new opportunities.

It also recognises that housing investment contributes to wider outcomes for the district including job creation and the local economy. The Confederation of British Industry's (CBI) report "Housing Britain: Building new homes for growth" identifies the importance of decent and affordable housing in attracting and retaining employees. Housing also

contributes to the sustainability of our communities, educational achievement and the health and wellbeing of our residents.

Six Strategic Housing Priorities have been identified along with key challenges and opportunities. The specific actions associated with the priorities and details on how they will be implemented are contained in the Action Plan. The Action Plan does not include the very important “business as usual” activities such as meeting partners and other stakeholders which enable the actions to be delivered.

This strategy is written at a time when government policy is changing rapidly and local strategies are evolving in response. To be able to respond quickly and effectively to changes in legislation and Government guidance, the actions in the draft Action Plan cover the first two years of the strategy and will be reviewed quarterly. **Also, the Council will be requested to delegate authority to the Strategic Director in consultation with the Cabinet Member for Planning and Housing to approve changes necessary to reflect amendments to Government policy and or legislation.**

The strategy contains a number of terms which may be unfamiliar to the reader. These are explained in the glossary.

## Why we need a Housing Plan?

The Housing Plan will assist the Council to:

- meet the requirements of the Housing Acts of 1985 and 2004 in relation to assessing housing needs and standards. It also shows how the Council will fulfil its statutory duties in respect of the Housing Act 1996 (as amended by the Homelessness Act 2002), Part 7 (preventing and reducing homelessness).
- demonstrate how the council is seeking to address the housing issues of the district through a range of initiatives not just the development of new homes.
- show how the Council is responding to national and local developments in housing, welfare and health.
- communicate the Council’s priorities to our partners, residents and other stakeholders so they can identify their roles in improving housing within the district.

The Housing Plan is a key part of the strategic housing function which can be divided into four elements: intelligence gathering, policy and strategy development, implementation, monitor and review. These elements form an on-going process (see Figure 1).

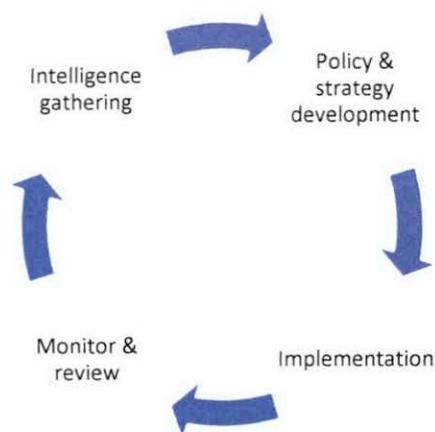


Figure 1: the Strategic Housing Function

The Housing Plan is based on intelligence gathered from a wide evidence base which is referenced within the text; and consultation with partners, including Registered Providers (RPs) and voluntary sector organisations. This formed the basis for a draft strategy for wider public consultation.

***The public consultation started on Tuesday 3 May 2016 for a period of 6 weeks. The deadline for responses was midnight on Tuesday 14 June 2016. Respondents to the consultation were asked the following:***

- 1. Have we identified the right priorities?***
- 2. Are there any other priorities that should be included in this Housing Plan?***
- 3. Is the Action Plan correctly prioritised?***
- 4. What might pose a threat to the delivery of our priorities?***
- 5. What other comments or suggestions do you have about this Plan?***

***To make consultation easier, an online consultation system was provided which allowed the Housing Plan documents to be read and commented upon online. Alternatively the document could be downloaded from the Council's website. Paper copies of the documents and a response form were made available at each of the Council offices.***

***Two public drop in events were run by the Strategic Housing Team at the Council's offices in Cirencester and Moreton-in-Marsh. In addition, Tetbury Town Council organised an event at its office.***

***As part of the consultation process the Overview and Scrutiny Committee was invited to comment formally on the consultation draft Housing Plan. The draft Housing Plan was considered at the Committee meeting on 7 June 2016.***

***Following the consultation the Housing Plan has been reviewed accordingly. The collated comments from the consultation will be published on the Council's website.***

The Action Plan shows in more detail how the strategy will be implemented in the first two years. Progress will be monitored quarterly and the Action Plan will be reviewed accordingly.

## Equality of opportunity.

Cotswold District Council is committed to equality of opportunity. In delivering this strategy it seeks to ensure equality in accessing housing, housing related support and advice. An Equalities Impact Assessment of the Housing Plan has not identified any adverse effects.

## The National Context.

**'Laying the Foundations: A Housing Strategy for England' (2011).** This set out the Government's plans to reform the housing market, including measures to stimulate house building, reform the social housing sector, improve the private rented sector and bring empty homes back into use.

**The Localism Act (2011).** The Act made substantial changes in housing. It introduced fixed term affordable tenancies for registered providers at 80% of market rent to offset reductions in public funding to develop affordable homes. There were also changes to: social housing allocations and regulation; the discharge of duties to homeless households; the right to buy; and new rights and powers for communities in respect of planning and development.

***The Allocation of Housing (Qualification Criteria for Armed Forces Personnel) (England) Regulations 2012 (SI 2012/1869) and the Housing Act 1996 (Additional Preference for Former Armed Forces Personnel) (England) Regulations 2012 have strengthened the position of specified armed forces personnel in seeking to access social housing. The regulations have introduced measures to prioritise service personnel when applying for social housing. These include changes to the priority need definition under Part 7 of the Housing Act 1996 (which governs homelessness). Local connection criteria are waived so qualifying personnel have a connection to the district of their choice. In addition the national criteria for shared ownership prioritises qualifying service personnel.***

**The National Planning Policy Framework (NPPF).** replaced most of the existing national planning policy statements. The NPPF and associated National Planning Policy Guidance guides development proposals and Local Plan policies.

**New Homes Bonus.** introduced in 2011/12 to help increase the level of house building. Local authorities receive the equivalent of the annual council tax raised for every new home and empty property brought back into use for six years. There is an additional enhancement for affordable homes.

**The Energy Act 2011.** introduced provisions to increase energy efficiency in private rented sector homes. Legislative changes in April 2018 will make it unlawful to let residential or commercial properties that fail to meet a minimum energy standard.

**The Health and Social Care Act 2012.** transferred Public Health responsibility to local authorities and established Health and Wellbeing Boards to ensure partnership working and supporting engagement with the wider determinants of health.

**The Care Act 2014.** focuses on the person's wellbeing and preventing or delaying needs. Councils have responsibilities towards their residents to keep them safe, support their general well-being and provide good information and advice about local services; working closely with partners to improve health and social care provision.

**Self-build and Custom Housebuilding Act 2015.** places a duty on local authorities to keep a register of individuals and community groups who are interested in acquiring land for self-build and custom-build projects and to take account of those interests in developing their housing initiatives and local plans; to allow volume house builders to include self-build

and custom-build projects as contributing towards their affordable housing obligations, when working in partnership with a Registered Provider to deliver these homes.

**Welfare Reform.** changing the calculation and entitlement of housing benefit for social tenants in line with the private sector, where payments are assessed according to the size of the household and not the size of the property. Increasing deductions for non-dependent household members and the introduction of a cap on the maximum amount of benefit a household can receive to ensure that this is no more than the national average salary which will be £20,000 in the Cotswold District in 2016/17.

**Universal Credit.** will see all benefits combined into one single, monthly payment. This is being introduced gradually into the district and is not fully operational. The Council will need to work with partners to minimise the disruption to claimants to support people to manage their budgets.

**The Right to Buy.** The Coalition Government increased the maximum discount to £75,000 or 70% of the property value to re-invigorate the scheme. The new administration is considering extending the right to buy to tenants of housing associations. When the details of the new scheme are known the Council will be able to work with partners to assess the likely impact of the changes. During the last Government one replacement property was built for every nine sold under the re-invigorated Right to Buy.

**Help to Buy.** The Help to Buy scheme enables people to buy a new-build or existing home priced up to £600,000 with only a 5% deposit. 130 people have taken up the Government's Help to Buy scheme within the district (DCLG, June 2015). The majority have obtained equity loans. There is concern that this will help to inflate house prices.

**The Housing and Planning Act 2016.** The Act includes the following:

- Councils will have a specific duty to promote the development of starter homes, available to qualifying first-time-buyers at a discount of 20% less than the market value. Local planning authorities will be required to publish public reports regarding Starter Homes provision.
- The implementation of the voluntary extension of the Right to Buy to registered providers.
- High Income Social Tenants: Mandatory Rent. The Secretary of State will have the power to set the levels of rent that registered providers of social housing must charge high income social tenants ('HISTs'). Following consultation on some of the detail, regulations will determine how much rent a HIST should pay. Outside of London, HIST will be defined as households with an income of over £30,000 per year.
- Self-build and custom house building is defined and local authorities will have a duty to grant permission on enough serviced plots of land to meet the demand for self-building and custom building in their area.
- The Bill includes a package of measures to help tackle rogue landlords in the private rented sector. These include local authorities seeking banning orders to prevent a landlord/letting agent from continuing to operate where they have committed certain housing offences, maintaining a national database of these landlords and

allowing tenants or local authorities to apply for a rent repayment order where a landlord has committed certain offences.

**Housing Finance.** The Budget in 2015 introduced the following housing finance changes which affect social and private providers:

- Rents in the social housing sector will be reduced by 1% a year for the next four years, which will affect the finance available to RPs for development programmes.
- Subsidies for social housing will be phased out with local authority and housing association tenants in England who earn more than £30,000 (outside London) having to pay up to the market rent.
- 18 to 21-year-olds will not be entitled to claim housing benefit automatically, with a new "earn to learn" obligation.
- Working-age benefits frozen for four years, this means housing benefit for people renting from private landlords will fall further behind inflation.
- Buy-to-let mortgage relief is limited to the basic rate of income tax. Previously, up to 45% could be claimed on interest payments on buy-to-let mortgages. Also, Landlords will have to provide evidence of repairs and improvements rather than automatically deducting 10% from their profits. Landlords have warned this will see costs passed on to tenants in the form of higher rents.

**The Comprehensive Spending Review (November 2015).** included the following provisions:

- Affordable homes funding increased, but focussed on home ownership rather than rented homes.
- 200,000 Starter Homes to be built supported by £2.3 billion funding.
- Housing benefit for housing association tenants capped at Local Housing Allowance.
- Funding for 135,000 "Help to Buy Shared Ownership" homes.
- £400m for 8,000 specialist homes.
- £200m for 10,000 Rent to Buy homes.
- Relaxation of rules on shared ownership, including councils' ability to set additional criteria e.g. local connection requirements.
- New funding arrangements for temporary accommodation to replace management fees.
- New Homes Bonus payment period reduced from 6 to 4 years.
- Energy Company Obligation to be replaced by a new domestic energy efficiency scheme.
- Enough public land to be released to provide 160,000 homes.

**The local policy context.** Housing has an impact and is affected by other services and organisations. It is important that these agenda and relationships are understood so we can support each other's work. The work identified in this strategy aligns to the aims and objectives set out in the following key local policies and plans:

- Cotswold District Council's policies including: The Corporate Strategy 2016 – 2019, the Empty Homes Strategy, The Strategic Tenancy Policy (see section Page 25 for the draft revised policy).
- The Private Sector Housing Renewal Policy (June 2013) sets out how the Council and its partners can improve occupier-owned and private rented homes in the District.
- The Police and Crime Plan 2013 – 2017 contains the priorities for making the county a safer and more peaceful place to live and work.
- Gloucestershire's Supporting People Strategy shows how partners will work together to deliver housing support services to vulnerable people to help them live as independently as possible, prioritising early intervention and prevention.
- Gloucestershire Health & Wellbeing Plan Strategy: Fit for the Future 2012-2032 focuses on strengthening health and wellbeing and preventing ill health in Gloucestershire.
- Gloucestershire's Strategic Economic Plan for Growing Gloucestershire (March 2014) recognises that housing is "critically important in securing economy growth" and the importance of the process of identifying housing need across the county.
- ***Gloucestershire Armed Forces Community Covenant 2014 encourages support for the Armed Forces Community working and residing in Gloucestershire and recognises and remembers the sacrifices made by members of this Armed Forces Community, particularly those who have given the most.***

## Key facts about the District.

Cotswold District covers an area of 450 sq. miles (1,165 sq km). Whilst the District is very rural, it lies in close proximity to some large urban areas with Swindon, Gloucester/Cheltenham and Oxford being the nearest. 80% of the District is within the Cotswolds AONB (a greater coverage by a national landscape designation than any other District in England). In the south of the District the Cotswold Water Park is the largest area of man-made lakes in the UK, covering an area of 33 sq. miles.

### Demography:

- 36,236 households in the district in 2011.
- Household size is projected to decline from 2.24 to 2.10 by 2032 (DCLG) reflecting the number of people living longer as well as family breakdown.
- Population of 82,881 (2011 Census) is projected to rise by **9,839 or 11.9% by 2031 (Neil McDonald May, 2016)**
- 2.2% of the population belong to Black, Asian and Minority ethnic groups (2011)
- Over 19,000 people live in Cirencester.
- 18,489 people are aged 65 and over; 5,608 were living alone (2011)
- Increases are forecast in the over 55 age groups with large increases in the 80 and above age groups (SHMA 2014)
- 16.1% of the population had a long term health problem or disability in 2011 (an increase of 10.2% since 2001)
- Population forecasts to 2031 anticipate reductions in the 15 – 24 and 40 – 54 age groups (SHMA 2014)
- Household projections show a smaller proportion of 25-34 age group will set up their own households which could be important for the economy. Source: Neil McDonald with Christine Whitehead October 2014 (Revised)
- Between 2001 and 2011 there was a 21% increase in the number of 20-34 year olds living with parents (ONS report entitled “Young adults living with parents in the UK, 2011)

### Housing stock:

- In 2011 there were 39,944 residential dwellings in the District.
- Allowing for economic growth, it is projected that an additional 8,400 homes will be required by 2031 (Source: 'The Objectively Assessed Housing Needs for Stroud, Forest of Dean and Cotswold' by Neil McDonald with Christine Whitehead.)
- Parts of the District are in the 10% most 'deprived' nationally in terms of access to housing and services due to the rural nature of the area (Source: “Supplement to

Cotswold Economy Study 2012 and Economy Evidence Paper 2013" November 2014.)

- There are 6,193 homes in the social housing sector. (Source: HCA Statistical Data Return 2014)
- 65.7% of properties were owner occupied (2011 Census)
- 885 empty homes, 248 had been empty for over 6 months (Oct 2014; DCLG)
- 1540 dwellings are second homes.
- Private rented stock increased from 12% of the total stock in 2001 (Source: ONS Tenure – Households UV63) to 15.3% in 2011 (Source: ONS Table KS402UK)
- Cotswold has the greatest proportion of large dwellings in the county: 28.4% contain four or more bedrooms (SHMA 2014)

#### Private dwellings quality: (figures in brackets are English Housing Survey 2009 averages)

- Excess cold category I hazard is estimated to be present in 21% of homes (9%)
- 42% of private homes do not meet the decent homes standard (32%)
- 16% of private homes fail thermal comfort standards (11%)
- Housing Health and Safety Rating System Category I hazards 34% (22%)
- Percentage of vulnerable households in non-decent homes was 7% (7%)
- The estimate for fuel poverty was 19% (18%)

Source: BRE Housing Stock models and options for developing further private sector housing information (2012)

#### Affordability:

- Average (mean) house price £356,908 (Land Registry, 2014)
- **Median house price £307,500 in 2015. Source: ONS House Price Statistics for Small Areas (HPSSA) Dataset 09, Table 2a**
- **Median annual gross income for employees living in the district £19,131 (all employees); £26,933 (full time employees). Source: Annual Survey of Hours and Earnings (ASHE) Income Table 8.7a in 2014 all employees (latest information available at this level)**
- **The ratio for median house prices to median incomes in 2015 was 12.20 (DCLG Live Table 577)**
- **Lower quartile house price £222,500 (HPSSA Dataset 15, Table 2a)**
- **Lower quartile gross annual income for employees living in the district £10,706 (all employees); £19,444 (full time employees). Source: ASHE Income Table**

### 8.7a) 2014.

- Using DCLG lower quartile comparisons for earnings and house prices the ratios have worsened changing from 10.88 in 2009 to 11.41 in 2015 (DCLG live table 576)
- Median annual gross household income £29,360 (SHMA 2014)
- Median savings £10,598 (SHMA 2014)
- Mean annual rent £12,060 (VOA, December 2015)
- Average number of social housing lettings via Gloucestershire Homeseeker was 433 per year from 2012 to 2015

### Housing need:

- 1469 households were on the housing register in Sept 2015.
- It is estimated that 4 single people sleep rough in the district at any one time (CDC data September 2015)
- 26.7% of households in need are single people under 35 years of age.
- 15.2% in housing need also have a support need (SHMA 2014)
- 317 (49.6%) new households each year cannot afford market housing (SHMA 2014)
- 1326 households presented as homeless between 2012 and 2014.
- 278 households were accepted as homeless between 2012 and 2014.

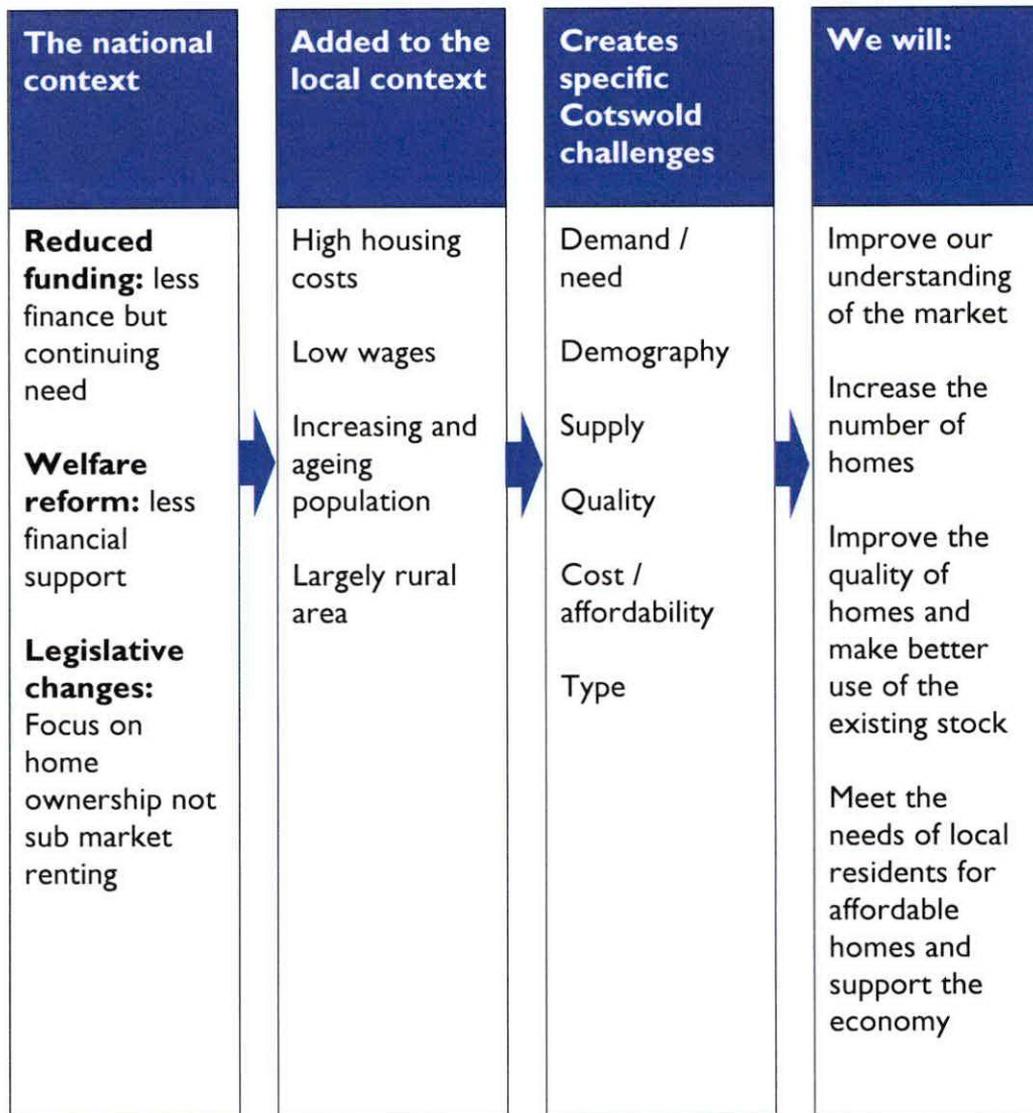
### Economy:

- Economic activity and services are mainly in Cirencester and seventeen smaller sustainable communities.
- In 2011, 40,303 (67.1%) of people aged 16-74 were in employment (increased by 5.4% since 2001). **Source: Table DC6107EW - Economic activity by sex by age**
- over 30% of jobs (around 13,500) based in Cirencester (ONS 2011 Census data)
- In the same period there were 1,491 unemployed people, this equates to 2.5% of people aged 16-74 (increased by 50% since 2001)
- 9.7% of households are living in fuel poverty (HECA Progress Report 2015)
- Cotswold has the lowest unemployment in the County (1.6%) (SHMA 2014)
- 8,000 (13.3%) people work from home in the district; double the national average and significantly higher than Gloucestershire's average of 8.5% (Nomis, 2011)
- There were 4,204 households claiming housing benefit in May 2015 (DCLG); approximately 1,248 (29.7%) were working full or part-time (CDC data)

(Source: Office for National Statistics (2011) Census of Population unless otherwise stated.)

## The Housing Challenge and the Vision for the Council.

The challenge is to provide a greater choice of high quality housing in all tenures across the district which are affordable to local people and reflect local earnings.



### The Vision.

The Council's housing vision for the District is that local people can live in high quality homes which they can afford and maintain that support thriving healthy inclusive communities.

## Strategic Priority One: Understanding the Cotswold Housing Market Area.

The priorities and tasks identified in this housing plan are based on a sound understanding of the local housing market area across all tenures and the effects of external forces e.g. legislative, economic and funding changes.

### Key achievements 2012 – 2016:

- Working with partners the Strategic Housing Market Assessment for the county was updated in 2014, with specific sections for each district council area.
- The Gloucestershire Gypsy, Traveller and Travelling Showpeople Accommodation Assessment was completed in 2013.
- A comprehensive list of the district's social housing stock was created and is being updated as new developments are delivered.
- Different models of housing have been introduced into the district including shared equity, discount market homes and rent to buy.

### Challenges and opportunities:

- Housing is a rapidly changing environment at the national level. Understanding the effects of changes in Government policy and the economy on the local housing market is critical to developing Council policies and plans e.g. Local Plan housing policies.
- Change also brings opportunity. Housing providers are seeking different ways to deliver affordable housing. Identifying and piloting appropriate new models will increase the choice available for local people.
- Despite significant changes to the way affordable housing is financed, providers who have not worked in the district previously are developing homes here.
- High prices in the Cotswold district are supported by the attractiveness of the area to people moving from more expensive areas which encourages speculative development. The Cotswold housing market is the 5th most expensive outside London (10th including London) according to the National Housing Federation.
- ***A combination of affordable rents, welfare reform and the application of Local Housing Allowance rates to tenants of registered providers may make affordable housing unaffordable to some households on benefits.***

### Key Risks:

- ***Changes in Government policies affect the delivery of affordable housing***
- ***Economic uncertainty affects the market, currently linked with the European Union Referendum***
- ***Changes in funding for registered providers is affecting the affordability of their housing for some welfare claimants and low income households***

**Action Plan priorities:**

- **Maintain up-to-date knowledge of the housing market**
- **Maintain knowledge of the local housing stock and housing related support services**
- **Research and implement successful housing solutions**

## **Strategic Priority Two: Increasing the supply and access to housing across all tenures.**

Increasing the supply and access to housing involves all sectors of the housing market including home ownership, private rented and the social sector.

### **Key achievements 2012 – 2016.**

- 792 market homes delivered across the district (March 2015)
- 463 affordable homes delivered including (March 2015):
  - 3 rural exception sites (100% affordable housing) delivered 24 homes in three small communities.
  - A local charity delivered 6 homes (including 3 affordable) for local people in Northleach.
  - Different home ownership models have been introduced into the district. 26 households have been able to purchase homes on a shared equity or equity loan basis.
- £7,573,875 grant funding supported the provision of affordable homes in the district.

### **Home ownership**

#### **Challenges and opportunities:**

- Affordability is the key challenge facing the District. House prices and market rents are high in relation to local wages which affects the ability to save for deposits. The availability and price of land contributes to the high values.
- The availability and terms of mortgage finance restricts access to home ownership. The Mortgage Market Review required greater regulation by lenders e.g. income and expenditure checks from April 2014, meaning mortgage approvals for house purchase fell. The July 2015 figures showed an increase but had still not recovered to the January 2014 level. (Source: Bank of England).
- There are opportunities to promote different routes to home ownership including Help to Buy, rent – save – own models and custom and self-build.
- The district has an under-representation of people of working age when compared with the rest of the county. More affordable new market housing which meets local demand would assist working people to remain in the district and help to reduce the need for affordable housing e.g. starter home initiatives.
- The proportion of older people in our local population is rising significantly. Cotswold has the highest proportion of over 65s in the county. Many are owner occupiers who under-occupy their homes. Bringing forward attractive market housing for older people would encourage downsizing to more manageable homes and make better use of the housing stock.

### **Affordable housing**

#### **Challenges and opportunities:**

- Each year 574 new and existing households are in need of affordable homes because they cannot afford open market housing. This figure has risen from 535 in 2009 (SHMA 2014). New development of affordable housing will meet some of the need, but we also need to consider ways of reducing need.
- The Council's focus on preventing homelessness (rather than just responding to homelessness) will help to reduce this most extreme form of housing need.
- RPs fund affordable housing through their own investment, disposal of properties which have high maintenance costs and poor Energy Performance Certificate (EPC) ratings, loans secured on their portfolios and through obtaining land and properties at below market value from developers. Following Government imposed rent reductions (2015) and welfare reforms since 2012 which affect the way they finance development RPs are reviewing their business plans. Most new affordable housing in the district is delivered under S106 agreements. HCA grant is not usually available for affordable housing on S106 sites, there is concern whether RPs can sustain delivery levels in future programmes.
- The Council has successfully piloted different tenure models which have assisted different client groups into home ownership e.g. discount market housing enabling people to purchase homes at 60 – 80% of open market value. We will continue to encourage innovative models.
- During the previous Housing Plan robust housing evidence and the viability of developments assisted S106 negotiations through which the Council is delivering a large number of affordable homes against targets. Currently, RPs are still looking to invest in the district. The Council will continue to work with RPs and developers to support the provision of affordable homes in the district.
- The introduction of the affordable rent tenure in the Localism Act has increased rents in the social sector to up to 80% of the local market rent for a similar property. The Council needs to work with providers to ensure that these rents remain affordable to people on local wages which are low in comparison to other areas (see the Strategic Tenancy Policy).
- Some of the District's affordable housing stock is old. De-commissioning stock which is beyond refurbishment economically, maintains standards within social housing and enables capital receipts to be reinvested locally by RPs. However, the challenge is to maintain social housing stock numbers in smaller rural communities.
- The Localism Act allowed RPs to grant tenancies for a fixed length of time (minimum two years in exceptional circumstances) with five years or more being the norm. Whilst this presents opportunities to make best use of affordable housing by managing over and under occupation it reduces security for the tenant and stability for the community. The Council has set out its position on flexible tenancies in its Strategic Tenancy Strategy. The Council will continue to work closely with RPs to balance these competing pressures.
- Community Infrastructure Levy is yet to be established, but there is concern regarding the impact on affordable housing delivery.

### **Private sector rented housing**

### **Challenges and opportunities:**

- There is a limited supply of affordable, quality, private rented accommodation. Availability and access to this sector is particularly difficult in the north of the district.
- Changes to welfare benefits may further reduce the availability of private rented housing to people on low incomes or in receipt of benefits. At the same time market rents are rising faster than local wages.
- Recognition of the increasingly important role that private rented housing plays in housing markets, assisting a variety of households, may offer opportunities to work with different providers of this tenure e.g. RPs.
- The work of the Environmental and Regulatory Services (ERS) in promoting and maintaining good standards in the private sector can develop supply by increasing landlord confidence (see Strategic Priority Four for further information). Changes to stamp duty for Buy to Let purchases effective from 1 April 2016 may limit the potential to increase the private rented sector within the district.
- Working with owners to bring empty homes back into use could provide some additional rented accommodation.

### **Self-build housing and custom built housing.**

Self-build housing includes a wide range of approaches which may be carried out by individuals or groups as a home to rent or own in both the market/private sector and social housing sector (see Glossary). Historically this sector has been a minor contributor to the housing stock, but Government feels it could be supported and encouraged to deliver more housing. Guidance will be issued to local authorities about their role in developing this sector, based on the evidence from the 11 vanguard local authorities who ran pilot projects.

### **Challenges and opportunities:**

- The Council has limited land resources to assist self-builders but developer led sites present opportunities to identify plots.
- New guidance is being drafted to establish registers of people and groups interested in this sector.
- Lenders are being encouraged to financially support custom and self-builders.
- There is a growing awareness of the opportunities from potential self-builders.

### **Community led housing.**

Local people can develop, manage and own affordable housing for their communities. The Council will seek opportunities to work with communities and other common interest groups to promote and enable them to develop housing through the enabling role and the work of the Rural Housing Enabler.

### **Challenges and opportunities:**

- Co-housing where residents come together to manage their community and share activities is a growth housing sector nationally with local interest.
- The introduction of Neighbourhood Plans and the Community Right To Build in the Localism Act provide opportunities for community led housing and planning.
- Neighbourhood plans can help the development process by building community confidence that new development will suit local needs, encouraging investment in community infrastructure and underpinning the strategic policies of the local plan.

### **Rural Housing.**

Cotswold is a largely rural district. Generally, rural homes are more expensive than urban. In 2013, the premium for the south-west was £49,583 which equates to 27% (data contained in a Halifax press release 19 October 2013). Median workplace-based earnings were highest in *major urban areas* (£26,900) and lowest in *Rural-80 areas* (£19,700) which includes the Cotswold District (Source: Nomis 2013). The SHMA 2014 identified that the Cotswold district had the second lowest average incomes in the county but the most expensive housing. The popularity of the Cotswolds and the migration from urban areas and second home purchase (particularly by people from the London market) adds to the pressure on rural housing and reduces its affordability to local people.

### **Challenges and opportunities:**

- New development in our villages has mainly been affordable housing developed by RPs in accordance with the Council's rural exception site policy. This had the advantage of reducing land values (and therefore improving affordability) but has the disadvantage of a reduced number of sites coming forward. The NPPF allows for an element of market housing where this would facilitate significant additional affordable housing to meet local requirements. This may encourage more landowners and developers to come forward.
- An appraisal of each site will be needed to ensure there is evidenced local housing need for the affordable housing. The inclusion of market housing should enable the construction of affordable housing (rather than inflating land prices) and meet identified local demand and encourage downsizing.
- Housing needs surveys in villages provide a useful evidence base to enable parish councils to work with the District Council to bring forward development. A programmed approach to surveys to be undertaken will support a swifter response to planning applications and a proactive approach to bring sites forward where appropriate. These surveys will in future include an assessment of local demand for open market housing in the community.

### **Gypsy and traveller sites.**

The Housing Act 2004 and national planning guidance requires local authorities to assess and make provision for the accommodation needs of Gypsies and Travellers.

### **Challenges and opportunities:**

- In 2013 a new countywide Gypsy, Traveller and Travelling Showpeople Accommodation Assessment (GTTSA) identified a need for an additional 26 pitches for Gypsies and Travellers by 2013 with 11 needed by 2022. Although the evidence may need to be reviewed following changes to Government guidance.
- Potential locations which meet the recommendations contained in the GTTSA have been identified to meet the identified need.

**Key Risks:**

- *Changes in Government policy which do not support the provision of affordable housing for local people e.g. National Planning Policy Guidance*
- *Economic changes affecting the housing market*
- *Changes to funding for registered providers e.g. the effects of welfare reform and the rent reductions*
- *The extension of the Right to Buy to tenants of housing associations*
- *Decreasing financial returns for private landlords could reduce the sector*
- *Availability of land particularly in villages for rural exception sites following changes in Government planning policy*

**Action Plan priorities:**

- **Improve access to home ownership for local people**
- **Improve access to affordable housing for local people**
- **Increase the supply and access to private rented sector housing**
- **Create opportunities for self-build housing and custom built housing**
- **Promote and enable community led housing**
- **Increase the supply of rural housing**
- **Support the provision of gypsy and traveller sites**

## **Strategic Priority Three: Developing thriving, sustainable communities.**

Houses are more than buildings, they are homes forming an integral part of local communities and the local economy. This strategic priority focuses on the wider role of housing in supporting inclusive local communities focussing on two key areas.

### **Key achievements 2012 – 2016:**

- 244 clients were referred to the CAB debt advice project worker for assistance. 189 clients contacted the worker. Positive outcomes were recorded for 61%.
- £126,000 secured for health, social and or care needs of older people living in Tetbury through S106 negotiations.
- Successfully trialled a shared tenancy for under 35s to mitigate welfare reforms.
- 45 Landlords have 73 properties registered with the Council's "Fit to Rent" scheme.

### **Socially sustainable and healthy communities.**

Housing can contribute to creating socially sustainable communities promoting the well-being of local people and communities e.g. by reducing isolation and helping people to remain in their communities. Poor quality housing impacts on health (BRE Health Impact assessment 2012).

### **Challenges and opportunities:**

- Ensure that new housing provision is of a high standard and meets the requirements of local communities and residents including those with additional needs.
- New developments provide opportunities to create balanced and sustainable communities through agreeing how homes are delivered and local lettings policies for the initial allocations.
- New developments can contribute to wider community benefits including facilities and local services e.g. Tetbury (see achievements).
- Establishing activities and developing networks can reduce isolation and antisocial behaviour; maximising economic and health and well-being outcomes. The development of hubs and spokes across the district has provided increased opportunities for residents.

### **Financially inclusive communities.**

Welfare reform aims to support people into work whilst protecting the most vulnerable. The Council will work with partners to help residents to manage change in their household income.

### **Challenges and Opportunities:**

- Ensuring homes meet defined requirements such as energy efficiency, mobility and access standards contributes to socially and financially sustainable communities. They reduce fuel poverty and encourage stability by reducing the need for people to move away from their community. Since May 2008 it has been mandatory for all new homes to be issued with an Energy Performance Certificates (EPCs) rating.
- It is no longer Government policy that all new dwellings will be zero carbon from 2016. There was concern amongst a number of house builders nationally that zero carbon homes would be too expensive to build (Sheffield Hallam University). However, energy efficiency is not just about the bricks and mortar but also the behaviour of the person living in the home. Carbon emissions can still be improved if residents are aware of the best ways to use the facilities in their homes.
- RPs are under increasing financial pressure due to changes in development finance and welfare reform. The Council must continue to work with our delivery partners to ensure households with financial challenges can continue to access affordable, quality homes.
- Housing has an opportunity to support the local economy through the development process, procurement of services, securing inward investment and through strategic partnership work.
- Changes to the economy and welfare reform may lead to an increased demand for HMOs (Houses in Multiple Occupation). The Council's Public Protection Team already supports private sector landlords to maintain standards by providing advice and information (and where necessary enforces standards). It also ensures HMO properties are licensed.

**Key risks:**

- ***Registered providers dispose of properties with poor thermal insulation, this could see a reduction in homes in villages***
- ***Affordability assessments prior to letting affordable housing could mean people cannot access housing***

**Action Plan priorities:**

- **Support socially sustainable and healthy communities**
- **Support financially inclusive communities**

## **Strategic Priority Four: Provide housing and support services for our most vulnerable residents.**

It is important to recognise the needs of particular groups who have additional housing and housing related support needs due to vulnerability because of age; mental, physical and sensory health related issues; addictions; or exposure to abuse. (The needs of homeless households are addressed in Strategic Housing Priority Six.) The District Council's main role in delivering housing and housing related support to vulnerable people is strategic: enabling specialist properties and commissioning housing related support services wherever possible in partnership with other organisations to improve viability and value for money by avoiding duplication of provision and sharing workload.

### **Key achievements 2012 – 2016.**

- 445 Disabled Facilities Grants awarded between 2012 and September 2015 (latest date available)
- 5 bungalows have been delivered

### **Key challenges and opportunities:**

- Reductions in Supporting People budgets and the introduction of personal budgets has significantly changed the care and support environment for vulnerable people.
- Influencing the commissioning of services to provide housing and housing related support which meet the needs of vulnerable Cotswold residents is a key challenge.
- The Strategic Housing team actively participate in established countywide partnership networks which have experience of commissioning and delivering successful projects in an effective and cost efficient manner e.g. the Supporting People Core Strategy Group, the Better Care Fund Housing Working Group and the Cotswold Health and Wellbeing Partnership.
- Flexible, new models of market and affordable housing are needed for older people and residents with supported housing needs and/or specific mobility requirements, to enable them to live independently for longer. This will include floating support as well as accommodation based solutions within new developments and existing provision e.g. the development of hubs which are providing support and reducing social isolation.
- Innovative solutions are needed to mitigate changes to welfare benefits which are creating a more challenging environment for claimants, particularly for young people.
- Whilst primary needs which create specific housing requirements can be identified for different client groups, individual needs are often complex and change over time. A flexible and innovative approach is needed to meeting housing requirements at different stages of the client's recovery.
- The Council and our partners already work with vulnerable residents e.g. through the distribution of Disabled Facilities Grant (DFG) and the work of the Home Improvement Agency. This contact provides an opportunity to offer information, advice and support to help people plan for the future so they can live independently in their own homes for longer.

- The Prime Minister has announced that Britain should resettle up to 20,000 Syrian refugees over the rest of this Parliament. The Council will continue to work with partners to house and support refugees to settle within our local communities.

**Key risks:**

- *A reduction in the Supporting People budget is reducing support provision within the district*
- *Housing for vulnerable people could become unviable if welfare reform is applied to supported housing*

**Action Plan priorities:**

- **Provide appropriate housing**
- **Ensure support services meet the needs of residents**