

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**STRATEGIC HOUSING ADVISORY BOARD**

**08 November 2010**

**Joint Report of the Director of Health and Housing, the Director of Planning,  
Transport and Leisure and Cabinet Members for Housing and Planning and  
Transportation**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken  
by the Cabinet Member)**

**1 KENT & MEDWAY HOUSING STRATEGY**

**Summary**

**This report updates Members on the progress being made on the emerging Kent & Medway Housing Strategy. The paper discusses the feedback from the Council to Kent County Council for their document in relation to its recent consultation round.**

**1.1 Kent & Medway Housing Strategy Update**

- 1.1.1 Members will recall the emergence of the Kent Housing Strategy. The development of the Strategy itself is a commitment in the Kent Regeneration Framework, and is being led by a Housing Task Group, chaired by the Chief Executive of Medway Council and which reports to the Kent Economic Board (KEB).
- 1.1.2 The stated ambition for the project 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 and opportunities across Kent and Medway”.
- 1.1.3 Members will recall that the consultant DTZ undertook the Kent & Medway Strategic Housing Market Assessment, which was then circulated to Stakeholders. This document serves as the evidence base for the Kent & Medway Housing Strategy.
- 1.1.4 A consultation draft of the Strategy was originally circulated to over 300 stakeholders in May, with comments received from District and Borough Councils, PCTs, developers, planning consultants, regeneration partnerships and rural interests.
- 1.1.5 That draft was revisited following the General Election to incorporate the direction of the new Coalition Government and to reflect changes in the external

environment, as well as the comments received during the May consultation round. The document was also re-titled the Kent & Medway Housing Strategy and was placed under the ownership of the Kent and Medway Leaders.

- 1.1.6 A special Kent & Medway Leaders' Meeting was held on 15<sup>th</sup> July to discuss the Strategy and the issues around managed housing growth for the County following the abolition of the Regional Spatial Strategy (RSS).
- 1.1.7 The majority of the content of the Strategy remained the same, but new content has been added around managed housing growth in a world of diminishing resources, and the aspiration to create "a joined-up, bottom-up approach to planning for housing and infrastructure across the whole County".
- 1.1.8 The previous 6 challenges have been condensed into five key themes, with related ambitions:

**Theme One** – Managed Growth and Infrastructure – “The continued delivery of key infrastructure to support managed growth and housing delivery across the County”.

**Theme Two** – Place-making and Regeneration – “The continued regeneration of our disadvantaged neighbourhoods to bring them in line with more affluent parts of the County”.

**Theme Three** - Affordability and Choice – “The provision of choice and affordability in housing for the citizens of Kent and Medway, including rural communities, which meets their needs and aspirations”.

**Theme Four** - Estate Renewal – “The managed improvement and retrofit of existing homes to make them fit for now and the future”.

**Theme Five** - Housing Need – “To support vulnerable people in housing need to fulfil their potential and live a high quality life through the provision of excellent housing and support services”.

- 1.1.9 KCC aim to have a finalised Strategy signed off by Kent and Medway Leaders early next year, with the implementation of the recommendations within the Strategy to be managed by Kent Housing Group, on behalf of Kent and Medway Leaders.
- 1.1.10 The Strategy portrays many examples of innovative and best practice approaches to delivering infrastructure and housing supply requirements. A number of case study examples are highlighted, including examples of best practice within West Kent and Tonbridge and Malling.
- 1.1.11 The Strategy sets out a series of key asks of government, including seeking new ways of financing infrastructure (Tax Investment Financing); incentivisation of

public land disposals; diversification of shared ownership models; encouraging investment in the private rented sector; greater powers to find bespoke local solutions and funding of “retrofit” solutions in the existing stock.

- 1.1.12 The case for government investment in Kent and Medway, explained in the Strategy, draws heavily upon the Kent and Medway Strategic Market Assessment which pulls together the publicly available information from the market assessments undertaken by all the local district housing and planning authorities in Kent and Medway. The assessment provides a powerful statement highlighting demographic change, growing housing need, available supply, private sector stock condition and the growing affordability gap between house prices and earnings.
- 1.1.13 Under the theme “Managed Growth and Infrastructure” the Strategy, whilst acknowledging that the planning system (S106) remains an important source of investment, explores alternative models for the stimulating delivery of both market and affordable homes. One of the more controversial proposals explored is a structure for delivering a single Kent and Medway housing growth ambition, post abolition of the Regional Spatial Strategy. A “Housing and Planning Futures” forum is offered as a way of bringing together locally determined planning and housing requirements in which “leaders will determine and agree on the strategic direction for housing growth across Kent and Medway. Detail will then be worked up by the Kent Housing Group, Kent Planning Officers Group and the HCA”.
- 1.1.14 Our position remains that this envisages a greater role for the Strategy than we would welcome. The framework proposed is both lacking in detail and clarity on the roles of the various bodies mentioned. Also, it remains an issue for each district and unitary planning authority to determine its own locally based plan for housing growth based upon a locally derived evidence base and local community consultation. The Strategy seems to conflate the housing investment role and the promotion of funding opportunities into Kent and Medway with the role of Local Planning Authorities in developing their local Development Frameworks.
- 1.1.15 It is within the theme of “Managed Growth” that a range of new affordable housing delivery models is explored. These identify a range of options available to local housing authorities, working alone or collaboratively with others, to form housing procurement delivery vehicles. The model relies upon authorities offering up public land as part of a package to lever in public funding (grant via the HCA and the New Homes Bonus). The land would secure either a fixed sum or share in proceeds return at an agreed future point in time, rather than provide an immediate cash disposal return. These models make a helpful contribution to a mixed economy of solutions to funding future affordable housing supply but are unlikely to provide opportunities for this Council due to the advanced state of our land disposal programme.
- 1.1.16 The theme of “Affordability and Choice” highlights the lack of choice and access to affordable housing faced by growing numbers of households. Various options for

promoting increased shared ownership and an expanded private rented sector are explored but not in any great detail. At the heart of these options are suggestions for encouraging either institutional market investment in the private sector or for local housing authorities to establish a (modest) equity investment fund to increase the available affordable mortgage finance for house purchase. Our view is that the equity investment fund would either be so modest in scale that its impact would be minimal or, if more significant, could carry significant financial risk to the Council.

- 1.1.17 Overall, our concerns with the proposed Strategy stem from the stated inward-facing purpose of the document. Whilst the affordability problem and regeneration needs of West Kent are now better recognised, it remains our concern that these are at risk of being outweighed by the regeneration and investment needs of North and East Kent and the coastal areas. Any conflation of place-based budgeting at a County level with the inward-facing influence of Kent and Medway Housing Strategy could run counter to the interests of meeting the housing and regeneration needs of West Kent. A further issue not recognised within the Strategy is the performance of the West Kent economy and, with that, the proven delivery of housing development being recognised and fostered for the future. Infrastructure investment needs to run in parallel and be given the necessary priority to reflect and support such performance.

## **1.2 Legal Implications**

- 1.2.1 None arising from this report.

## **1.3 Financial and Value for Money Considerations**

- 1.3.1 None arising from this report

## **1.4 Risk Assessment**

- 1.4.1 None arising from this report

## **1.5 Equality Impact Assessment**

- 1.5.1 The County Council with partners across Kent will need to carry out a full EIA before this strategy can be ratified. However at this stage the changes and amendments we require as described in this report must be carried out before any such EIA can be carried out.
- 1.5.2 See 'Screening for equality impacts' table at end of report

## **1.6 Recommendations**

- 1.6.1 Cabinet is **RECOMMENDED** to **ENDORSE** the above comments as the basis for this Council's response to the consultation on the Kent and Medway Housing Strategy.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Chris Knowles  
John Batty

Nil

John Batty  
Director of Health and Housing

Councillor Jill Anderson  
Cabinet Member for Housing

Steve Humphrey  
Director of Planning, Transport and Leisure

Councillor Matthew Balfour  
Cabinet Member for Planning and  
Transport

<b>Screening for equality impacts:</b>		
<b>Question</b>	<b>Answer</b>	<b>Explanation</b>
a. Has an equality impact assessment on the policy (to which the activity relates) already been carried out?	No	This report relates to a draft Kent Wide Strategy which will need a EIA by the County Council and partners before ratification.
b. Is the decision in line with the policy?	NA	
<b>Note:</b> <i>If the answer is 'no' to either of the above questions, then the activity must be 'screened' for equality impacts using the questions below.</i>		
c. Does the activity have potential to cause adverse impact or discriminate against different groups in the community?	No	The strategy will help support all members of the community.
d. Does the activity make a positive contribution to promoting equality?	Yes	The housing strategy aims to support vulnerable people which may include the elderly, young or disabled residents. However, at this stage the draft strategy document needs further working before a full EIA can take place.
<b>Note:</b> <i>If the answer is 'yes' to any of the above questions, then a full equality impact assessment is required.</i>		