



PRCC.25 12/13

Prosperous Communities
Committee

8 January 2013

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Subject: Housing Growth Strategy

Report by:

Director of Planning and Regeneration

Contact Officer:

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Purpose / Summary:

For elected Members to approve the Central
Lincolnshire Housing Growth Strategy on behalf
of the Council

RECOMMENDATION(S): That the Central Lincolnshire Housing Growth Strategy
be approved on behalf of the Council

IMPLICATIONS

Legal:None

Financial :None

Staffing :None

Equality and Diversity including Human Rights :

Risk Assessment :

Climate Related Risks and Opportunities :

Title and Location of any Background Papers used in the preparation of this report:
*Wherever possible please provide a hyperlink to the background paper/s
If a document is confidential and not for public viewing it should not be listed.*

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

The Central Lincolnshire Joint Planning Committee requested the production of a Central Lincolnshire Housing Growth Strategy (CLHGS). This Strategy sets out how the housing growth aspirations and the policy framework in the Core Strategy will be taken forward in Central Lincolnshire to deliver housing growth. The CLHGS also forms part of the supporting/informing documentation for the developing Core Strategy, along with the Economic Development Strategy and Infrastructure Delivery Plan.

2. Summary of the Strategy

The CLHGS sets out the vision, issues, challenges and priorities for sustainable housing growth which are informed by the jointly produced Central Lincolnshire Local Investment Plan (CLLIP).

The table below summarises the CLHGS vision, objectives and priorities

CLLIP and CLHGS Vision: Working together to make great places	
Objectives	Priorities to meet the objective
1. Deliver Sustainable Housing Growth	1.1 Deliver a planning policy framework to stimulate growth
	1.2 Meet a variety of housing needs through the delivery of housing growth across Central Lincolnshire
	1.3 Promote Central Lincolnshire as potential for growth
2. Deliver Affordable Housing	2.0 Deliver Urban and Rural affordable housing
3. Deliver housing to meet diversity of need including Older Persons	3.1 Deliver housing options for older people
	3.2 Deliver housing options to meet specific needs
4. Maintain and improve the housing stock and bring empty properties back into use	4.1 Community Regeneration
	4.2 Bring Empty Homes back into use
	4.3 Make best use of existing stock
5. Deliver Quality and Energy Efficiency in the new housing stock	5.1 Promote innovation, high quality design and materials , in new developments
	5.2 Increase energy efficiency standards and sustainable use of resources
6. Deliver and maintain a robust and up to date evidence base	6.0 An evidence base that informs future priorities for Central Lincolnshire

3. Consultation

Consultation on the CLHGS has taken place alongside the consultation on the Core Strategy from July to September 2012. Officers held an initial consultation workshop, focusing on the housing growth agenda on 12 July with Officers and Members of the partner authorities, the Housing Market Partnership and Developers and Agents Forum.

The Strategy has been available on the Council's and the Joint Planning Unit's websites and notification has been circulated to Parish and Town Councils. Currently a limited number of comments have been received, and the focus has been on the need for flexibility and close consideration of viability in housing development.

4. Sign Off and Approval

The comments received from the consultation period are currently being considered for inclusion within the document.

Officers at Wider Management Team and Corporate Management Team commented on and approved the document on 30 October 2012. The CLHGS was presented to Leaders Panel on the 13 November 2012. Following the Prosperous Communities Committee it is on the agenda for further approval at the Joint Planning Committee on 14 January 2013.

5. Recommendations

For elected Members to approve the Central Lincolnshire Housing Growth Strategy on behalf of the Council

October 2012

**CENTRAL LINCOLNSHIRE
HOUSING GROWTH STRATEGY
2012- 2017**

Our Vision

'Working together to make great places'.

EXECUTIVE SUMMARY

1.0 Introduction

Central Lincolnshire has an aspiration for sustainable growth. The cornerstones of this growth are

- homes that meet our needs,
- a vibrant economy and jobs, and
- provision of the supporting infrastructure necessary to deliver it.

Sustainable housing growth is intrinsically linked to economic growth

- The pace of housing development needs to be aligned with economic growth
- The location of homes and jobs need to be aligned
- Housing must meet a range of needs including the breadth of needs in the open market as well as the affordable sector
- The development of housing is an economic activity in its own right

There is, therefore a strong and interlinking relationship, which needs to be planned and coordinated. The development of this housing growth strategy will be alongside the development of an economic strategy, and an infrastructure delivery plan, which will sit under a Central Lincolnshire Local Plan to set out how the aspirations within the Local Plan will be delivered.

This Central Lincolnshire Housing Growth Strategy has been produced by the Central Lincolnshire authorities working in partnership. They are;

- City of Lincoln Council, North Kesteven and West Lindsey District Councils,
- Lincolnshire County Council and
- the Joint Planning Committee.

2.0 Challenges and Opportunities

Central Lincolnshire faces a number of significant challenges if it is to deliver sustainable housing growth. These include

- Implementation of the changing national policy environment, including the Localism Act, the National Planning Policy Framework and the Laying the Foundations Housing Strategy
- The current economic climate, a depressed housing market and austerity measures constraining funding resources
- Delivering sustainable growth within this context to provide 42,800 more homes by 2033
- Delivery of 17,120 affordable homes, (as 40% of the homes target) to meet the diversity of housing need in both urban and rural locations

- Making best use of the stock and bringing empty homes back into use

3.0 Vision, Strategic Objectives and Priorities

In line with the growth aspiration, the Central Lincolnshire Housing Market Area has a vision of ‘working together to make great places’ for our residents to live and work in.

The Central Lincolnshire Local Investment Plan (LIP) approved by the Joint Planning Committee and adopted by the Homes and Communities Agency in 2010, set out our 3 themes to deliver great places. This strategy has 6 strategic objectives with associated priorities to deliver these themes. Whilst it is recognised that the themes and objectives are interrelated they are set out in the table below to show their main link.

Vision: Working together to make great places		
LIP Theme	Strategic Objectives	Priority
Growth	1. Deliver Sustainable Housing Growth	Deliver a planning policy framework to stimulate growth
		Meet a variety of housing needs through the delivery of housing growth across Central Lincolnshire Promote Central Lincolnshire as potential for growth
Community	2. Deliver Affordable Housing	Deliver Urban and Rural affordable housing
	3. Deliver housing to meet diversity of need including Older Persons	Deliver housing options for older people
		Deliver housing options to meet specific needs
Quality	4. Maintain and improve the housing stock and bring empty properties back into use	Community Regeneration
		Bring Empty Homes back into use
		Make best use of existing stock
	5. Deliver Quality and Energy Efficiency in the new housing stock	Promote innovation, high quality design and materials , in new developments
		Increase energy efficiency standards and sustainable use of resources
The 5 priorities are underpinned by a 6th		
	6. Deliver and maintain a robust and up to date evidence base	An evidence base that informs future priorities for Central Lincolnshire

4.0 Resources Partners and Stakeholders

The strategy cannot be delivered by the Central Lincolnshire authorities in isolation and the resources, input and support from a wide range of partners and stakeholders will be essential. Partners include public, private and third sector organisations such as

- The Homes and Communities Agency
- Registered Providers
- Private Developers and Agents
- Local Enterprise Partnership
- Parish Councils

The resources required are extensive and include

- funding
- land
- enabling advice and support

5.0 Summary of Key Action

The action plan sets out what we will do to deliver our strategic objectives. The actions and targets are set out against the main strategic objective and priority they will deliver, but actions will contribute to more than one objective. Key actions include

- Developing the planning policy framework to promote sustainable growth
- Ensuring sufficient land
- Facilitating the sustainable urban extensions to the Lincoln principal urban area
- Promoting and marketing Central Lincolnshire as an attractive location for growth
- Identifying mechanisms to deliver urban and rural affordable housing
- Understand the extent of housing needs and provide housing which meets the diversity of this need
- Develop projects to improve and regenerate existing communities
- Bring empty homes back into use
- Make the best use of the existing housing stock
- Improve the quality and energy efficiency of new and existing housing
- Ensure the appropriate evidence base is in place to support these actions

6.0 Conclusion

This Housing Strategy sits alongside the Economic Strategy and Infrastructure Delivery Plan for Central Lincolnshire. It is intended that it

- provides a framework to maximise delivery of housing growth aspirations identified in the core strategy, Local Investment Plan (LIP) and other housing related documents;
- sets out the current context for delivering housing in regards to funding, planning and localism;
- identifies key priorities for the Housing Market Area to help overcome issues at both a Central Lincolnshire and more local level; and
- Supports and informs the individual corporate priorities for each Local Authority.

Chapter 1: Introduction to the Strategy

1.0 Central Lincolnshire

Central Lincolnshire covers all of the City of Lincoln, North Kesteven and West Lindsey. Following a long history of joint working, to deal with common and cross boundary issues, a Central Lincolnshire Joint Strategic Planning Committee was established by statutory instrument in October 2009. Its initial purpose was for its member authorities including Lincolnshire County Council and the Joint Planning Unit, to produce a Local Plan. Recognising the increasing importance of partnership working the JPC was expanded with the development of a Central Lincolnshire Partnership, which is the same membership as the Committee, and has a wider focus on issues relating to housing, the economy and infrastructure. It is, therefore, overseeing the production of the Central Lincolnshire Housing Growth Strategy.

1.1 Why Have a Central Lincolnshire Housing Growth Strategy?

Central Lincolnshire has an aspiration for sustainable growth. Sustainable growth has been defined as growth that meets “the needs of the present without compromising the ability of future generations to meet their own needs” (the UN General Assembly). It is also recognised, in the National Planning Policy Framework, that there are three interlinked roles within sustainable development and these are;

- economic (contributing to building a strong, responsive and competitive economy)
- social (supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs) and
- environmental (contributing to protecting and enhancing our natural, built and historic environment).

The Draft Core Strategy (a key document in the Local Plan that identifies the level and distribution of growth being promoted for the area) and the Sustainable Futures work, that forms part of the evidence base for the Draft Core Strategy, consider Sustainability in more detail. However, the Central Lincolnshire Housing Growth Strategy both informs and supports the policies in the Draft Core Strategy by identifying priorities and delivery mechanisms to help achieve growth in Central Lincolnshire.

It is recognised that the relationship between homes that meet our needs, vibrant economy and jobs, and providing the supporting infrastructure necessary to deliver it are essential to the success of the area and need to be planned and coordinated effectively.

Sustainable housing growth, for example, is intrinsically linked to economic growth in that not only is it an economic activity in its own right but there is a need to ensure that

- The pace of housing development is aligned with economic growth
- The location of homes and jobs need are aligned, and
- Housing can meet a range of needs including the breadth of needs in the open market as well as the affordable sector

It must also be supported by appropriate infrastructure such as transport, community facilities and green spaces to ensure that the daily needs of residents can be met, services and facilities accessed easily, and undue pressure is not placed on existing resources.

The production of this housing growth strategy, therefore, has been undertaken alongside the development of an economic strategy, and an infrastructure delivery plan, which will sit under a Central Lincolnshire Local Plan to set out how the aspirations within the Local Plan will be delivered.

1.2 Vision and Priorities

In line with the growth aspiration, the Central Lincolnshire Housing Market Area has a vision of ‘working together to make great places’ for our residents to live and work in. It is recognised that by working together we will make best use of our limited resources and maximise our ability to achieve this vision.

The Central Lincolnshire Local Investment Plan (LIP) approved by the Joint Planning Committee and adopted by the Homes and Communities Agency in 2010, set out our 3 themes to deliver great places. This strategy has 6 strategic objectives with associated priorities to deliver these themes. Whilst it is recognised that the themes and objectives are interrelated they are set out in the table below to show their main link.

Vision: Working together to make great places		
Theme	Strategic Objectives	Priority
Growth	1. Deliver Sustainable Housing Growth	Deliver a planning policy framework to stimulate growth
		Meet a variety of housing needs through the delivery of housing growth across Central Lincolnshire Promote Central Lincolnshire as potential for growth
Community	2. Deliver Affordable Housing	Deliver Urban and Rural affordable housing
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Quality	4. Maintain and improve the housing stock and bring empty properties back into use	Community Regeneration
		Bring Empty Homes back into use
		Make best use of existing stock
	5. Deliver Quality and Energy Efficiency in the new housing stock	Promote innovation, high quality design and materials , in new developments
		Increase energy efficiency

		standards and sustainable use of resources
The 5 priorities are underpinned by a 6th		
The Evidence Base	6. Deliver and maintain a robust and up to date evidence base	An evidence base that informs future priorities for Central Lincolnshire

Therefore this strategy will

- provide a framework to maximise delivery of housing growth aspirations identified in the core strategy, Local Investment Plan (LIP) and other housing related documents
- set out the current context for delivering housing in regards to funding, planning and localism
- identify key priorities for the Housing Market Area to help overcome issues at both a Central Lincolnshire and more local level
- Support and inform the individual corporate priorities for each Local Authority

1.3 The Challenges

The key housing-related challenges that face Central Lincolnshire are summarised below but more detail on the challenges and objectives that shape the Housing Strategy’s response helping address them are considered in more detail in Chapter 2.

- a) Significant population growth is forecast over the next twenty years, with particular growth in the number of older residents. Whilst much of the housing necessary to accommodate this growth will be built in the three principal settlements, with the Lincoln Area and Gainsborough both having growth point status, there will also be opportunities for rural communities to grow in response to their needs and to become more sustainable.
- b) The forecast growth must result in prosperous and sustainable communities: ensuring there is adequate transport, business and community infrastructure; meeting the housing needs of the diverse population and matching the supply and demand for skilled labour to drive up wages; and maintaining the quality of life that defines Central Lincolnshire.
- c) The draft Central Lincolnshire Core Strategy sets a target for 42,000 homes over the between 2011 and 2031, of which 40% should be affordable. Meeting this requirement poses a number of challenges including, delivering rural housing, addressing homelessness, responding to the diverse and changing needs of an ageing population and ensuring that residents enjoy or have access to safe decent, adapted and warm homes.
- d) Central Lincolnshire offers a good quality of life with housing that is low cost by national standards. However, with an industry structure which still has an over dependence on low skill, low wage jobs and pockets of deprivation, so affordability remains an issue in the Central Lincolnshire HMA.

- e) Understanding and seeking to improve viability, and balancing growth, development requirements and infrastructure provision (particularly within the context of the current economic climate) is key to ensuring successful delivery.

1.4 Relationship to Other Strategies

This strategy is informed by the significant evidence base and strategic documents already in place. Partnership working and co-ordination of strategies are key to meeting our vision and it is important that plans and policies are as closely aligned as possible, and that strategies support each other. As identified above, new strategies are under development which will shape the housing environment including the Local Plan, Infrastructure Delivery Plan and an Economic Strategy alongside this Housing Strategy, all of which are interlinked

- **Local Plan**

The Central Lincolnshire Authorities are in the process of developing the Core Strategy, part of the Local Plan for the area. It will set the overall approach to growth and development in the area and identifies the Sustainable Urban Extensions that will form a fundamental part of the housing supply for the area. It forms the context for more detailed planning policies and decisions by defining: levels and location of growth, infrastructure and facility requirements, and protection of the environment. It is anticipated that it will go out to consultation in summer 2012 and be followed by Development Plan Documents setting out land allocations.

- **Central Lincolnshire Economic Development Plan**

This document has a vision of “a growing economy providing high skilled and high paid jobs, built on dynamic sectors and supporting Central Lincolnshire communities” and a number of objectives to help achieve this including creating the conditions for investment, delivering the workforce to support growth, and delivering regeneration. Programmes to help achieve this will include those relating to infrastructure, housing allocations and marketing and promotion.

- **Central Lincolnshire Infrastructure Delivery Plan**

This Infrastructure Delivery Plan (IDP) will sit alongside the Central Lincolnshire Core Strategy and identifies the physical, social and green infrastructure required to support the vision for Central Lincolnshire over the period of the strategy.

In developing the IDP, the type, scale and distribution of infrastructure items have been informed by the level, location and phasing of development identified in the Core Strategy. The IDP will identify the costs of infrastructure required to support growth, proposed sources of infrastructure funding, known funding gaps, proposed delivery mechanisms and proposed delivery partners.

1.5 Monitoring and Reviewing

This strategy will be monitored and reviewed on a regular basis through the Central Lincolnshire Partnership and its relevant working groups. The strategy will sit alongside, influence and be influenced by other key documents such as the Local Investment Plan. Each partner Local Authority will be responsible for delivering the agreed specific tasks identified within this plan and reporting back to the CLP in regards to progress.

1.6 Consultation

Consultation has been undertaken with Members, Officers and key stakeholders in developing this strategy. They will also be a key part of any future monitoring and reviews.

1.7 Content of the Strategy

The following Chapters set out;

- What is the policy environment and the challenges that have driven our priorities – Chapter 2
- Who are the partners, stakeholder and what resources we have - Chapter 3
- What we will do - Chapter 4

Chapter 2: The Housing Growth Issues and Challenges

2.1 Introduction

This Chapter sets out the housing issues and challenges the strategy must respond to under each objective. These challenges arise from;

- the changing national legislative, policy and economic environment;
- the emerging Central Lincolnshire policy framework; and
- the specific housing and related needs of Central Lincolnshire.

2.2 Objective One : Deliver Sustainable Housing Growth

The challenges for Central Lincolnshire are

2.2.1 Providing the environment to deliver housing growth

The 2011 Central Lincolnshire SHMA identifies that, if the Regional Spatial Strategy dwelling led target that continues to be supported by the partner authorities is rolled forward, 44,000 homes are required between 2010 and 2031,

- Of this the affordable need has been evidenced as being:
 - 16,200 social rent and
 - 2,000 intermediate.
- Of the 44,000 homes the rural need is;
 - 13,900 are required in the rural area of which
 - 1,100 should be intermediate housing and
 - 3,300 should be social rent

The Central Lincolnshire authorities are proposing to set an ambitious target of delivering over 2,000 homes per year in the Core Strategy (past average delivery has been around 1,650 homes per year with a peak of 2,000). Based on actual delivery to date and the timeframe of the Core Strategy a target of 42,000 more homes between 2011/12-2030/31 is set out and 40% of these should be affordable homes. This is unlikely to be achieved in the short term, given the current economic climate and the impact this has on development viability, and so higher rates of delivery would be required later in the plan period.

As identified in section 1, this housing growth will also need to be supported by economic development and appropriate infrastructure, as well as ensuring the environment is adequately protected, to ensure that we can develop strong, prosperous and sustainable communities. The Central Lincolnshire Authorities will need to work closely with the development industry and infrastructure providers to ensure this can be delivered.

2.2.2 National Growth Agenda

The current economic climate presents enormous challenges for the delivery of housing growth. These include;

- The economy has a very limited growth forecast, and viability of development can be an issue that needs to be understood and improved through strong partnership working, pooling of resources and seeking all available funding;
- Austerity measures and the rising costs are limiting personal income;
- Lending institutions are more risk averse and requiring higher security and returns in development financing
- Confidence in the housing market is low and building rates are at their lowest since the 1920s.

Central Government's Growth Agenda seeks to provide the right conditions to deliver strong, sustainable and balanced growth of income and employment over the long-term including

- localism and devolving more power to local communities
- a new planning framework which includes a presumption in favour of sustainable development
- winding up the Regional Development Agencies
- creating Local Enterprise Zones
- increasing the confidence to invest and incentivising growth.

a) The Localism Act 2011

In addition to a range of local authority governance issues The Localism Act seeks to devolve greater powers to councils and neighbourhoods and give local communities more control over housing and planning decisions. The Localism Act includes measures that

- reform the planning system - The Act puts in place the ability for the Secretary of State to abolish Regional Spatial Strategies (which set a regional-level planning framework for England) and will establish neighbourhood plans and neighbourhood development orders, by which it is intended that communities will shape Local Plan policies and development in their neighbourhoods.
- requires pre-application consultation, makes changes to planning enforcement and in relation to nationally significant infrastructure.
- revise the provision of social housing including measures to offer flexible tenancies for new social tenants, create a new system of council housing finance, provide assistance for tenants to exchange their social rented property, transfer the functions of the Tenant Services Authority to the Homes and Communities Agency and make changes to the system for tenants to make a complaint about their social landlord

b) 2012 The National Planning Policy Framework (NPPF)

The NPPF was published in 2012 and identifies that the primary driver of the planning system is to "*contribute to the achievement of sustainable development*" and set positive policies that help to deliver growth through housing and economic development whilst protecting the natural and historic environment.

The NPPF identifies that the focus for housing should be around

- increasing the supply of housing
- delivering a wide choice of quality homes
- widening opportunities for home ownership
- creating sustainable, inclusive mixed communities

Local planning authorities are expected to contribute to meeting these objectives by using evidence to ensure that their Local Plans

- meet the full requirements for market and affordable housing
- identify key sites and a rolling supply of deliverable sites to provide five years worth of their housing requirement with an additional 20% where there is evidence of persistent under delivery
- plus a supply of specific developable or broad locations sites for at least 6-10 years and years 10-15 where possible, with no allowance for windfalls unless there is compelling evidence to justify the contrary

They will be expected to

- illustrate the expected rate of delivery through a housing trajectory
- set out their density requirements
- identify and bring back into use empty properties
- plan for a mix of housing, identifying the size, type and tenure range required
- set out policies for meeting affordable housing needs

Specifically in rural areas local planning authorities are required to be responsive to local circumstances and plan housing development to reflect housing requirements, including affordable housing. As part of this approach they should consider whether allowing some market housing would facilitate significant additional affordable housing.

c) Neighbourhood Development Plans and Neighbourhood Development Orders

The NPPF set out mechanisms intended to give Parishes and neighbourhood forums an opportunity to develop a vision for their neighbourhood, set planning policies for the development and use of land and through Neighbourhood Development Orders and Community Right to Build Orders to grant planning permission. There is a requirement that neighbourhood plans are in general conformity with the Local Plan so their ambitions are aligned with the strategic needs and priorities of the wider local area, but they can promote more development than is set out in the Local Plan. As with Local Plans their decisions will be subject to the presumption in favour of sustainable development. They will be assessed by independent examination and have to achieve 50% support in a local referendum. Once a Neighbourhood Plan is made, its policies will take precedence over existing policies in the Local Plan for that neighbourhood.

- **Development management**

The NPPF considers that Local planning authorities should approach decision-taking in a positive way to foster the delivery of sustainable development. The relationship between decision-taking and plan-making should be seamless, translating plans into high quality development on the ground. Local planning authorities should look for solutions rather than problems, and decision-takers at every level should seek to approve applications for sustainable development where possible.

d) Laying the Foundations: A Housing Strategy for England

The Government's Housing Strategy was published in November 2011. It sets out a number of mechanisms to stimulate the housing market and encourage cross tenure growth which include

- Supporting a new and innovative new build indemnity scheme led by the Home Builders Federation and Council of Mortgage Lenders to provide up to 95 per cent loan to value mortgages for new build properties in England, backed by a house builder indemnity fund.
- Commitment to provide a social dwelling for every one lost to the reinvigorated Right to Buy Programme.
- Launching a new £400 million 'Get Britain Building' investment fund, which will support building firms in need of development finance, including small and medium-sized builders. This will help to unlock progress on stalled sites which have planning permission and are otherwise shovel ready.
- Consulting on a proposal to allow reconsideration of those planning obligations agreed prior to April 2010 where development is stalled
- Supporting and encouraging more individuals to build their own homes through a Custom Homes programme, including making available up to £30 million of new funding
- Supporting landlords and investors to invest – building on measures announced at Budget 2011.
- Providing £100 million of funding to bring empty homes back into use as affordable housing and £50 million of further funding to tackle some of the worst concentrations of empty homes.

Summary of Challenges

- *Delivering 42,000 more homes between 2011/12 to 2030/31*
- *Ensuring necessary supporting infrastructure, services and facilities are in place so growth is sustainable*
- *Delivering a policy framework to stimulate housing and economic growth in a changing national planning environment*
- *Having evidence in place to support planning decisions in the gap between*

adoption of the NPPF and Core Strategy

- *Ensuring sufficient land is brought forward to deliver housing growth*
- *Maintaining an appropriate evidence base to monitor effectiveness and implementation of policy and support future policy changes where required*
- *Fostering positive community engagement so they feel confident to embrace the need for growth*

Summary of Current Activities to Address Challenges

- *Delivery of 6,691 dwellings between for 2006-2010*
- *Growth Point status awarded to Lincoln and Gainsborough*
- *Development of the Local Plan for Central Lincolnshire and Infrastructure Delivery Plan*
- *Development of supporting strategies*
- *Development of the Strategic Housing Land Availability Assessments*
- *Ongoing discussions with landowners regarding land assembly*
- *Development of an evidence base including SHMA, EVA etc*
- *Annual Monitoring Review produced*
- *Neighbourhood Planning front runners in each district*
- *Community and stakeholder engagement in development of the Core Strategy*

2.3 Objective Two : Deliver Affordable Housing

The challenges for Central Lincolnshire are;

2.3.1 High level of affordable housing needs

Currently (November 2011) there are 5,800 on the three central Lincolnshire authorities' housing registers and within the context of Central Lincolnshire's overall housing target, the Strategic Housing Market Assessment identifies a need between 2010 and 2031 for

- 16,200 social or affordable rented; and
- 2,000 intermediate properties.

Based on delivery to date, affordable housing need, and the timeframe of the Core Strategy, a target is set for 40% (around 840 per annum) of the overall homes to be affordable, at a time of constrained resources and reduced government grant funding. This means that the balance between affordable housing, development standards, environmental protection, and infrastructure provision can be balanced in a way that may not favour sufficient levels of affordable housing delivery. As identified above careful consideration of viability, priorities for resource spending, and alternative delivery mechanisms is needed if Central Lincolnshire is able to start meeting this target. In addition, as with overall levels of housing this is unlikely to be achieved in the short term, given the current economic climate and the impact this has development viability, and on

this basis higher rates of delivery would be required later in the plan period if targets are to be met.

a) Meeting rural housing needs

Central Lincolnshire has a population of 285,500 (ONS mid 2010 estimate). Of these 135,100 live in rural areas (excludes Lincoln Principal Urban Area, Gainsborough and Sleaford Wards) from towns to hamlets. This equates to 47% of Central Lincolnshire's population.

There are numerous challenges in delivering affordable housing, within a rural context (and particularly in the smaller rural settlements) there are additional challenges which include the need to

- ensure there is a robust evidence base at the parish level which may need to be supplemented with primary research
- secure sites to deliver affordable housing in rural locations particularly where there are not wider land allocations
- secure funding and recognise increased costs of delivery that can occur with smaller rural schemes
- work effectively with the local community to build up the evidence base and secure support for affordable housing

b) Meeting other affordable needs

As identified above there are issues that are specific to some areas in Central Lincolnshire. These include pockets of deprivation, affordability (particularly in rural areas), pockets of poor health and crime and access to key services by improving access to houses where people need them, as well as delivering supporting relevant employment and infrastructure. Lincoln and North Kesteven have an identified requirement for intermediate housing, but that there is a surplus in West Lindsey, which is underwritten by its cheaper private sector dwellings.

2.3.2 Limited Funding Opportunities

a) Significantly reduced Affordable Homes Programme (AHP) funding

The overall 2011-2015 Affordable Homes Programme is significantly reduced from previous years at £4.5 billion. £2.3 billion of this was already committed to existing schemes and only £1.8 billion was available funding for new affordable housing delivery over the next 4 years. The previous 2008-11 programme was nearly £9 billion in total and over 3 not 4 years.

In the current economic climate government have made it clear that there is less public subsidy for affordable housing, value for money should be achieved and alternative mechanisms to subsidise affordable housing must be found and used. This includes the Affordable Rent model which was a fundamental component of the AHP bidding, allowing new affordable housing to charge a rent higher than social rent levels, at up to

80% of local market rents. The aim was to provide surplus income that could be used to re-invest in additional affordable housing.

b) 2011-2015 AHP allocation in Central Lincolnshire

The AHP programme will only deliver a very limited number of affordable homes in Central Lincolnshire over the next 4 years. Only one Registered Provider successfully secured funding with dedicated delivery in Lincolnshire. This is estimated at about 125 completions per annum over the next four years based on the initial allocation of AHP. Since then there have been further discussions between the HCA and another Registered Provider and further funding for around another 120 homes has been secured

Not only has the total grant level fallen but the average grant figure per dwelling is also significantly reduced to an average (across the East Midlands) of around £22,000. There is limited potential to increase funding for affordable housing and the affordable rent model at 80% of market rent does not significantly increase rental income that can be used to fund further affordable housing delivery.

Even at the low average grant rate of £22,000 the annual shortfall to deliver the 780 affordable homes needed that haven't secured AHP is £17.2 million without any planning obligation or other mechanisms being employed

c) Securing Community Led Housing

The HCA has launched an initiative to fund affordable housing schemes which have had a very high level of community engagement. The total funding is £25m for the next four years with allocation being made on a first come first served basis and all schemes have to complete by March 2015.

Schemes may be promoted through a Community Land Trust (CLT) or may be conventional developments that are able to demonstrate very high levels of community involvement. In some instances existing rural schemes that failed to gain AHP funding could be suitable.

Notwithstanding the HCA community funding CLTs offer an alternative mechanism for delivery which has the potential to lever in the necessary resources including land and funding.

The challenge will be involving local communities and providing support and expertise to gain their positive engagement.

In response to this opportunity Living Lincolnshire, the Lincolnshire rural housing partnership, has launched an umbrella CLT for the county to work with Local Authorities and to provide a mechanism to provide information and support for communities and landowners considering the CLT route .

d) Securing other HCA funding opportunities

There are some distinct programmes of funding that the HCA is administering around empty homes, homelessness change and Gypsy and Travellers. It is also reasonable to expect that slippage will occur in the Affordable Homes Programme which may provide opportunities to fund affordable housing delivery.

e) Lender confidence

There have been 4 pillars of the most successful investment system in affordable housing which serve to promote certainty and reduce risk in investment. These are

- robust regulation
- full security
- grant subsidy
- Housing Benefit payment system

All of these are undergoing change which has the potential to increase uncertainty and reduce investment and lender confidence. These include;

- the introduction of the Localism Act and impact it may have on development;
- decreasing affordable housing grant subsidy and moving to an increased income based subsidy model (affordable rents) with the associated risks to income from rental streams and rent collection; and
- a changing housing benefit system which is moving to Universal Credit and payments direct to tenants.

(The Head of Housing Finance at Santander at a CIH event in October 2011)

2.3.3 Maximising planning policy framework and Section 106 obligations

Delivering affordable housing through the planning policy obligation is becoming increasingly important. Current affordable housing obligation levels and threshold triggers are varied across Central Lincolnshire.

The 2012 Economic Viability Assessment indicates that a 40% affordable housing obligation on all sites (starting on sites of 1 or more dwellings) is largely viable across Central Lincolnshire. However, this is based on certain assumptions in terms of land prices, standards and infrastructure provision, the costs of which may change over time or on a site by site basis. With the affordable housing shortfall the planning policy obligation is of vital importance to meet affordable housing targets. However it is also recognised that other obligations may be sought of developers through contributions such as Section 106 and the community infrastructure levy to provide infrastructure to support sustainable growth. The ability to deliver 40% will, therefore, in part depend upon the level of priority given to affordable housing over other requirements e.g. design standards and infrastructure provision.

As a theoretical exercise the table below illustrates the impact that the affordable housing Section 106 percentage requirement level has on affordable housing delivery, assuming the housing growth target of 2100 pa was being met

Total homes pa	Section 106 Obligation Level %	No of market homes delivered	Affordable homes delivered	Shortfall on 840 affordable housing pa target
2100	40	1260	840	0
2100	30	1470	630	170
2100	20	1600	400	440
2100	0	2100	0	840

b) A changing planning policy context - National Planning Policy Framework (NPPF)

The NPPF promotes the creation of a wide choice of housing and development of housing and affordable housing in rural areas, and encourages consideration of the use of cross subsidy in rural areas to facilitate significant additional affordable housing to meet local housing needs. It is left to local planning authorities to decide which mechanisms to use, but the choice should be positive and justified by the evidence. This is why in addition to both affordable housing targets, and thresholds for sites above which affordable housing contributions will be sought, the Central Lincolnshire Core Strategy includes a rural exception policy which allows for cross subsidy.

Summary of Challenges

- *Delivering 40% of all homes as affordable by 2031*
- *Achieving an annual affordable housing completion targets of around 840 homes*
- *Maximising affordable housing delivery through available funding opportunities and balancing other funding requirements*
- *Finding alternative mechanisms to deliver affordable housing and reduce £16.4million funding / 744 home annual shortfall*
- *Supporting and enabling communities to take a leading role in affordable housing delivery which meets their local needs*
- *Maintaining an appropriate evidence base*

Summary of Current Activities to Address Challenges

- *Delivery of 886 2009/10-2010/11 (36% of all completions)*
- *Developing partnership working across Central Lincolnshire –*
- *Delivered Local Investment Plan and Local Delivery Plan*
- *Ongoing liaison with HCA Registered Providers etc*
- *Affordable Housing Programme limited allocation*
- *Developed housing evidence base including SHMA, EVA*
- *Developed Living Lincolnshire partnership to address rural housing needs issues including development of Community Led housing*
- *Ongoing programme of rural housing need surveys*
- *Maximising affordable housing delivery through the existing planning policy*

obligation framework

- *Delivered a programme of council housing*

2.4 Objective Three: Deliver housing to meet the diversity of need including Older Persons and those with Special Needs

The challenges for Central Lincolnshire are

2.4.1 Addressing Central Lincolnshire's specific needs

The evidence base, including the SHMA and the Gypsy and Traveller Accommodation Needs Assessment (GTAA), considers the needs of specific population groups, which are shown below

- **Older Persons**

Central Lincolnshire's population is ageing. It is estimated that between 2008-2033 there will be substantial increases in the proportion of the population that are over 65. The majority of these people are already resident and housed but as the population ages issues arise around the number that are suitability housed in their present homes and what responses are needed to adapt homes or provide alternatives. There already exists an Extra Care Housing Strategy and Joint Strategic Needs Assessment produced by Lincolnshire County Council. In addition there is a need to ensure that plans for an extended choice across all tenures can be flexible enough to respond to the changing needs of households as they age. New provision for older people that are currently occupying unsuitable housing for their needs may also release family housing as older people downsize.

- **Students**

There is a large concentration of students in Lincoln. Currently there is an apparent over supply of housing in the private rented sector but with the expansion plans for the university a long-term shortfall of accommodation may be likely. This will need to be monitored together with the impact this may have on the supply and demand for properties traditionally occupied by other demographic groups.

- **Black and Minority Ethnic Community (BME)**

Central Lincolnshire is an area with a traditionally low BME population. However the evidence suggests that BME groups are more likely to be in housing need. Whilst there is not an evidenced need for an increase in specific housing it is important the ethnic population needs are monitored on an ongoing basis.

- **RAF Bases**

RAF bases in Central Lincolnshire lead to a significant amount of housing being occupied by military personnel and civilian support workers and there are 1,738 services family accommodation units in Lincolnshire. The concern for the future relates largely to the impact of the downsizing or closure of bases rather than the impact they are currently having on the housing market. Previous closures have seen problems in Lincolnshire such as housing that is released not being ideal for the private market, contamination and

the support facilities closing alongside the military activities. The government, in the May 2011 budget, has announced the intention of releasing up to 20,000 homes on Ministry of Defence land by 2014/15 and some of these will be located at RAF Scampton.

- **Gypsies and Travellers**

A Gypsy and Traveller Accommodation Needs Assessment for Lincolnshire was undertaken in 2008. The study showed the need for more permanent and transit pitches in Central Lincolnshire – Lincoln (8), North Kesteven (7-9) and West Lindsey (22-26). It also highlighted the need for improved engagement, information management, and greater security of tenure and better conditions on sites. There is a need to keep this evidence up to date and an update to the assessment is due to be commissioned shortly.

- **Joint Strategic Needs Assessment**

The priorities identified in the updated Joint Strategic Needs Assessment for Lincolnshire include

- Promoting Healthy Lifestyles
- Improving Health and Well-being for Older People
- Delivering High Quality Systematic Care for Major Causes of Ill Health and Disability
- Improving Health and Reducing Health Inequalities for Children
- Reducing Worklessness

- **Meeting planning policy obligations**

As identified above the NPPF promotes the need to develop “a wide choice of quality homes to widen opportunities for home ownership and create sustainable, inclusive and mixed communities”. Local planning authorities should ensure that they

- *“plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes), and*
- *identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand”*

The proposed meeting housing needs policies in the Core Strategy, therefore, includes a policy that states “In promoting sites which include new homes developers should demonstrate how they will meet local housing needs through the mix of new homes proposed using the best available evidence”.

2.4.2 Reduced Funding

- **Reduction in the Supporting People programme**

The Lincolnshire Supporting People Commissioning Body approved and adopted a new Supporting People Five Year Strategy in 2008, which sets out the key priorities for Lincolnshire as: -

- Homeless people
- Older people
- Young people

In 2010, £6.5 billion of funding was allocated nationally to offer support to vulnerable people through the Supporting People Programme over a four year period. In real terms this amounted to a reduction of around 2%. The Supporting People ring fence has been removed which means the cost of housing related support provision must be balance against other budgetary requirements

The County Council took the decision to reduce the budget by 15% (£2.35m) over 4 years, with savings being weighted in years one and two. This has meant that the Commissioning Body has had to propose cuts across the Programme which has resulted in some services being substantially reduced or stopped completely. This has significant implications for growth in Central Lincolnshire as any proposals for new supported housing must be accompanied by ‘in principle’ revenue funding from the Supporting People Programme, which is clearly less likely to be obtained in the future.

- **Reduced Affordable Housing Programme (AHP)**

The reduction in the availability of grant funding through the 2011-2015 Affordable Housing Programme is also a significant challenge to the delivery of specialist accommodation which is usually more expensive to deliver than general needs housing.

There are some distinct programmes of funding that the HCA are administering around homelessness change and Gypsies and Travellers. It is also reasonable to expect that slippage will occur in the Affordable Homes Programme which may provide opportunities to fund special/specific needs affordable housing delivery.

- **A low level of special needs housing in the allocated Affordable Housing Programme**

The level of supported housing that will be delivered through the Affordable Housing Programme in Central Lincolnshire is not yet fully scoped but based on discussions with provider partners before the programme was decided and with a significant Lincolnshire based provider partner not securing funding it is expected to be negligible.

Summary of Challenges

- *Ensuring affordable housing delivery meets specific needs*
- *Understanding and prioritising the options to meet specific needs and maintaining an appropriate evidence base*
- *Maximising funding opportunities and aligning partners involved in delivery around priorities*

Summary of Current Activities to Address Challenges

- *Delivered a Places for Change Hostel*
- *Delivered Domestic Violence Refuge*
- *Progressing to delivery of a Drug and Alcohol Misuse Supported Accommodation Unit*

- Secured further funding from Homelessness Change Programme
- Evidence base including Gypsy and Traveller Needs assessment
- Delivery of additional extra care housing and ongoing enabling activity to deliver more in partnership
- Ongoing project support and delivery through the Supporting People Programme
- Delivery of the Disabled Facilities Grant Programme

2.5 Objective Four : Quality and Energy Efficiency in New Housing Stock

The challenges for Central Lincolnshire are

2.5.1 National Policy

a) Planning Policy

Central Government places great emphasis on the achievement of high quality and inclusive design in the National Planning Policy Framework (NPPF), which states

“Permission should be refused for development of poor design that fails to take opportunities available for improving the character and quality of an area and the way it functions” (Para. 64)

In addition, the NPPF makes clear that local authorities should actively support energy efficiency improvements to existing buildings.

Through Building Regulations Central Government is requiring all new homes to be zero carbon from 2016 and considering a similar approach for new non-domestic buildings from 2019.

The Code for Sustainable Homes (CSH) provides a single national standard to guide industry in the design and construction of sustainable new homes. It covers nine categories of sustainable design; Energy and CO2 Emissions, Water, Materials, Surface Water Run-off, Waste, Pollution, Health and Wellbeing, Management, Ecology. Some categories are mandatory including Energy and CO2 Emissions and Water.

Building regulations will require an incremental rise in the development standard to meet zero carbon between now and 2016. It is expected at the time of writing that the full Code for Sustainable Homes level achievement will not be necessary but that the energy use, insulation and renewable requirements will be prioritised.

c) AHP requirements

The HCA also promotes good design at a national level. A requirement of its Affordable Housing Programme 2011-2015 is that partners deliver housing to its 2007 design standards which includes achieving Code for Sustainable Homes Level 3. This requirement extends to both grant receiving and nil grant affordable housing providers that are partnered with the HCA.

2.5.2 Central Lincolnshire Challenges

A Design Quality policy is being developed for the Central Lincolnshire Core Strategy. This policy requires all new developments to achieve high quality sustainable design that meets the diverse needs of the people who live, work and visit the area. The policy includes reference to national standards and guidance including those outlined above; and advocates the use of local guidance and standards.

The specification of design quality which exceeds prevailing regulations in both market and affordable housing sectors will be challenging as there is a cost impact on delivering the homes at a time of constrained markets and limited grant availability.

Summary of Challenges

- *Achieving design, efficiency and construction standards in excess of prevailing building regulations*
- *Addressing Climate Change and Sustainability issues within the context of constrained financial resources*

Summary of Current Activities to Address Challenges

- *Delivered exemplar housing project – Straw bale Construction*
- *Delivering Affordable Housing Eco Towns Demonstrator*
- *Achieved Code for Sustainable Homes Level 4 on new Council housing and some affordable housing*
- *Investigation of viability of incorporating Code standards above Building Regulation in EVA and Sustainable Future Study*

2.6 Objective Five: Maintain and improve the housing stock and bring empty properties back into use

2.6.1 Introduction

The condition of the existing housing stock is important to ensure that residents are living in decent, safe accommodation which is suited to their needs. Specifically in relation to housing growth the condition of the housing stock is important to ensure that the increase in net housing stock through growth is not offset by a reduction in the number of existing homes which are habitable

Equally it is necessary to mitigate against the potential unintended consequence of growth that a poor quality private sector offer leads to migration from existing

communities into more attractive new housing developments leading to low demand neighbourhoods. Therefore the following priorities are identified

- Community Regeneration
- Bring Empty Homes back into use
- Make Best use of the housing stock

2.6.2 Bring empty homes back into use

The Empty Homes Strategy identifies that that across England in 2009 there were over 650,000 empty homes, of which more than 300,000 were privately owned and have been empty for over 6 months. Bringing empty homes back into use is one of the Governments priorities in order to create sustainable communities and ensure everyone has access to a decent home. Whilst empty homes are a national issue, this is also reflected across Lincolnshire.

Lincolnshire has a total of 10,555 homes empty, of these 10,039 are privately owned, and 4,163 have been empty for over 6 months. (Housing Strategy Statistical Appendix; 2009). Local Authorities in Lincolnshire have joined in partnership to develop the Countywide Empty Homes Project. This project will give focus and drive when providing mechanisms to bring privately owned empty properties back into use.

a) Central Lincolnshire Challenges

The level of empty properties across Central Lincolnshire varies from 3.7% in North Kesteven, 4.3% in Lincoln, and 5% in West Lindsey. In particular there are hotspots of empty homes in Gainsborough and Lincoln, which occur largely in higher density terraced homes. Issues in Gainsborough relate to the oversupply and obsolescence of this type of stock, where there tends to be back to back yards, no parking, high numbers in private rent, and high levels of theft and vandalism. In Lincoln the oversupply is largely as a result of falling demand in the private rented sector student housing market.

In addition there are also challenges presented by the closure of Ministry of Defence bases and factors that have led to an unsuccessful transition from military to civilian use have included homes not being built of traditional construction, isolation from amenities and estates sold to single investors.

These homes, therefore, are not only a wasted resource in a time of housing need, but have an increasing negative effect on the communities, becoming focal points for illegal and anti-social behaviour, increased cost of renovation as their condition deteriorates, a strain and expense on agencies such as Fire and Rescue, as well as becoming a risk to the public through unsafe structures, harbouring litter and vermin and affecting neighbouring house prices.

From this more houses will come into the market, benefiting the community by increasing the stock of decent homes, providing opportunities for more affordable housing and there will be a reduction in the green house gases which would have otherwise arisen from building new homes. It will also help to decrease anti social behaviour, reduced risk from unsafe structures, provide an income for the owner and help to maintain the housing market.

The Lincolnshire Empty Homes Strategy has an action plan in place to deal with these issues, and seeks to

- Reduce the number of long term empty homes by district specific targets each year
- Establish a positive relationship with owners of empty properties to facilitate bringing them back into viable use
- Increase public and organisational understanding of empty properties across the districts
- Help to increase the supply of affordable housing, and reduce homelessness
- To develop a toolkit of options for bringing empty properties back into use and to identify and share good practice
- Add to the number of good quality, energy efficient properties within each district

2.6.3 Make Best use of the Housing Stock

Both NKDC and CoLC are Local Authorities which have retained and manage their own housing stock. There is a rolling programme in place to ensure that homes are maintained to a decent standard in the social rented sector.

Registered Providers who operate in the Central Lincolnshire HMA also have rolling programs of improvement and maintenance for their housing stock to a decent standard.

Each Local Authority has designated enforcement powers to ensure that properties are maintained to an acceptable standard by landlords in the private sector. Enforcement forms an active part of day to day engagement with tenants and landlords and due to the decrease in grant assistance available is increasingly becoming a key tool in regards to addressing housing standards.

On change of Government in May 2010 the funding available for Decent Homes and other housing assistance grants has ceased. Each Local Authority has a varying amount of funding leftover from previous grants to implement the Decent Homes Standard across owner occupied properties.

Each Local Authority administers this in a different way and once this funding has been allocated there is unlikely to be any further monies available to provide grants. Local Authorities will then be in a position to independently decide whether they would like to provide grants in the future and this will come from their own capital budgets. Alternatively, Local Authorities will need to explore different funding options and ways of working with vulnerable homeowners to deliver the assistance they may need.

2.6.4 Community Regeneration

Across Central Lincolnshire there are a number of proposed regeneration projects, aimed at enhancing community wellbeing, housing standards and infrastructure. These are being resourced in a number of different ways and some involve complete regeneration of certain areas, whilst others are focused on addressing community infrastructure issues. In addition housing growth provides the opportunity to regenerate an area and encourage inward investment through

- The creation of sustainable neighbourhoods within which most of people's daily needs can be met

- Re-using derelict and vacant land and buildings
- Improving inner urban areas and neighbourhoods with ageing housing or poor quality environments
- Improving areas with high levels of social deprivation

The more deprived communities are mainly found in specific parts of Lincoln, Gainsborough and Sleaford as well as those located on ex Ministry of Defence sites located across the area such as Scampton and Brookenby. Deprivation across these communities is varied, in some cases it reflects the poor physical characteristics such as homes and infrastructure but in others it reflects community issues such as health, skill levels and educational attainment. In most cases housing standards and housing provision also form a part of these regeneration projects and has a key role to play in them being successful.

Summary Challenges

- *Addressing the lack of available funding to provide housing assistance in an innovative manner*
- *For stock holding authorities to develop business plans which balance the requirement of the existing Council housing stock with the need for additional homes as a result of the Housing Revenue Account reforms*
- *Bringing empty homes back into use to address housing needs and improve the condition of stock*
- *Responding to the anticipated increase of the need for enforcement to improve housing standards*
- *Hotspots of empty homes in Gainsborough and Lincoln*
- *Oversupply and stock obsolescence, partly as a result of falling demand in the private rented sector student housing market*
- *High numbers in private rent*
- *Issues relating to former MOD sites such as homes not being built of traditional construction, isolated from amenities and estates sold to single investors*

Summary of Current Activities to Address Challenges

- *Empty Property Pilot Project (Social Lettings Agency)*
- *Countywide Empty Properties Project and Officers*
- *HELP scheme*
- *Current grant assistance programmes including Decent Homes , additional security measures*
- *Regulation and enforcement of private sector housing standards*
- *Licensing and accreditation including HMOs, landlords and student accommodation*
- *Regeneration projects in key areas across Central Lincolnshire*

2.7 Objective Six: Maintaining a robust and up to date evidence base

2.7.1 Introduction

This objective underpins all others in the strategy. The development, maintenance and monitoring of a robust evidence base is essential to

- Develop an understanding of the issues affecting Central Lincolnshire
- Coordinate and prioritise the most effective responses to those needs
- Support policy development
- Prioritise and support bidding for resources

In order to maintain the evidence base it will be necessary to

- Identify the need and requirement for evidence
- Secure funding for specific research and studies
- Work with partners to joint commission studies as appropriate
- Share and align monitoring of housing and related needs

Chapter 3: The Partners, Stakeholders and Resources to Deliver Sustainable Housing Growth

3.1 Introduction

The ability to deliver the actions identified in the strategy will be dependent upon the availability and prioritisation of internal and external resource availability and spending (including land, funding, and planning obligations), as well as working in partnership with a wide range of stakeholders who are involved in the achieving the objectives set out in this strategy.

3.2 Resources

3.2.1 Land

Land is a fundamental to delivering housing growth.

Land for Open Market Development

The Local Plan will identify and allocate development land to meet the obligations for a long term housing land supply. The allocation of land alone does not guarantee that it will be brought forward for development and landowners and developers are key stakeholders in growth.

Affordable Housing Land

Affordable housing is disadvantaged by the fact it cannot compete with market housing land prices and therefore requires subsidy in the form of reduced or nil value land. Potential sources of this land (outside of planning policy obligations identified at 4.4) are

- **Government/Public Sector Land Assets**

There are no former Regional Development Agency land assets in Central Lincolnshire, or Ministry of Defence RAF bases that are under consideration for closure.

- **Local Authority Land Assets**

Generally the district authorities have limited land asset holdings available. The majority of significant land assets have already been used. There is potential for a number of medium to small sites to come forward which would assist delivery, through Council house building or the provision of free land for affordable housing construction by our Registered Provider partners.

The County Council holds a wider land asset base than the districts and some of these may have potential to deliver affordable housing and special needs housing. This will be considered as part of its asset management processes.

3.3 Funding Sources

3.3.1 The Growth Fund

The Growth Fund plays a useful role in supporting the delivery of the Central Lincolnshire Joint Core Strategy. It has been available and actively used by partner

authorities since 2007 and a number of projects are now complete or near completion. There is no time restriction imposed by Central Government on when the money has to be spent and this flexibility has proved beneficial in the delivery of projects, some of which are complex multi-agency pieces of work.

The level of growth proposed is also fully consistent with the New Growth Point bids submitted by the Central Lincolnshire Authorities for the Lincoln Policy Area and West Lindsey (with a focus on Gainsborough). Growth Point status has been awarded to the Lincoln Policy Area to assist partners in the delivery of their ambitions for sustainable growth over the next 10 years and beyond. Lincoln will enhance its role as the Principal Urban Area in the County by delivering a fundamental change in the level of housing and economic growth in the city and wider area. Gainsborough has an aspiration for growth and regeneration and has recently granted outline planning permission for a development including 2500 homes and supporting infrastructure as part of this aspiration.

Growth will also help to address more local issues in Central Lincolnshire and can be driven by the communities themselves through the development of Neighbourhood Plans. Issues that are specific to an area include pockets of deprivation, affordability (particularly in rural areas), pockets of poor health and crime and access to key services by improving access to houses where people need them as well as delivering relevant employment and infrastructure.

- **Tax Increment Financing**

Tax Increment Financing is being trialed in some areas of the UK. It works on the basis of local authorities raising money by borrowing against future uplifts in business rates generated from a developed site (when compared to an undeveloped site) to fund necessary infrastructure.

3.3.2 Funding for Affordable Housing

- **Homes and Communities Agency**

The Homes and Communities Agency is responsible for the provision of funding for housing and regeneration projects. A number of projects are currently being delivered with resources already secured from the 2008-11 NAHP programme. The 2011-2015 Affordable Housing Programme has been allocated subject to formal contractual agreement between the HCA and the organisations that secured funding

Additional funding programmes that are or may become available include

- Slippage funding- there has been an acknowledgement that the East Midlands was underfunded by the Programme and that there is significant capacity to deliver more homes if funding is available
- Homelessness Change Programme funding
- Empty Homes Grant - £100million is being made available to fund bringing empty homes back into use
- Gypsy and Travellers Pitch Fund
- Community Led Housing Initiative Funding

In addition to the identified programme there is always the potential that additional funding may be made available by Government although this cannot be predicted or guaranteed.

- **Affordable Rent**

The CSR set out the concept of affordable rent for new affordable housing being set at 80% of market value. The impact and potential for this to fund more affordable housing development has yet to be fully assessed however from initial modelling it is considered that this will not have a significant impact in Central Lincolnshire due to the limited variations of social rent, local housing and market rents

- **New Homes Bonus**

The proposed New Homes Bonus will see matched Council Tax funding, for six years, for each additional net dwelling completed or brought back into use, with an additional £350 per year for six years for each affordable dwelling or Gypsy and Traveller pitch provided.

Over a six year period it is estimated by CLG that this could provide additional funding to the Central Lincolnshire District Authorities of over £25m, with a further £6.5m for Lincolnshire County Council between 2012/13 and 2015/16. Broken down by District this will be £8.2m for City of Lincoln, £8.3m for West Lindsey and £9.4m for North Kesteven.

The ability to raise this funding will be dependent on levels of delivery, which could be compromised by a slow housing market. It is also worth noting that the need to provide additional services arising from new development may absorb the New Homes Bonus. In part this will be dependent on the availability of Community Infrastructure Levy (CIL).

- **Alternative Delivery Mechanisms**

There are a number of alternative Local Delivery Vehicles, which have been set out by Government including Local Housing Companies and Community Interest Companies which enable local authorities to work in new partnerships with the private sector to secure funding for regeneration and affordable housing.

To date this method has not been pursued in the Central HMA, based on the potential scale of affordable housing development, amount of land availability and the availability of alternatives such as Local Authority New Build. However the potential for these opportunities will continue to be considered dependant upon opportunity and funding availability.

- **Investment Approaches**

Within the context of extremely limited resources the potential for funding to be 'invested' rather than grant funded will be explored. This has the potential to create some future income streams which can then be recycled and reused. Examples of this could include the provision of housing renewal loans rather than grants or the potential to seek overage against longer term project

3.3.3 Local Authority Funding

- **Commuted Sum Money**

Money held by each authority in lieu of affordable housing delivery on private development sites will be employed to deliver affordable housing. This is likely to be either by the authority funding affordable housing on a stand alone basis or by working in partnership with the HCA to joint fund projects.

- **Capital Programme**

Each district authority has a capital programme for funding capital projects. This is an increasingly scarce resource and authorities must balance their relative priorities against the extent of this constrained funding source.

- **Housing Revenue Account (HRA) Reforms**

The potential reforms to the HRA could present a significant opportunity to City of Lincoln and North Kesteven as stock holding authorities to deliver additional affordable housing.

3.3.4 Planning Policy Framework

- **Local Plan Core Strategy**

The Core Strategy is currently under development and a draft strategy will be published early in the new year. As identified above a policy will be developed that sets affordable housing targets and thresholds that will assist affordable housing delivery. These could also include the provision of some market housing to cross subsidise affordable housing on departure/exception sites for example.

- **Section 106 Obligations**

The EVA identifies that a 40% affordable housing obligation is largely viable across Central Lincolnshire. The three districts have affordable housing obligations in place ranging from 20% to 35% on sites that meet the trigger thresholds. Policies are currently being developed which will set threshold and obligation levels across Central Lincolnshire. As identified above affordable housing contributions can only currently be made through section 106 either by on site delivery or commuted sums. The government, however, is currently consulting upon whether the Community Infrastructure Levy could be used to fund affordable housing.

- **Community Infrastructure Levy**

Under the above mechanisms authorities can effectively raise a development tariff to fund wider planning obligations such as infrastructure. Whilst the Central Lincolnshire authorities have committed to developing separate but aligned CIL charging schedules work is ongoing to identify the level of CIL and the types of development that will be expected to pay. It is anticipated that tariffs will be based upon residential and non residential development but affordable housing will be exempt from paying the charge, as well as development by Local Housing Trusts and self build.

3.4 Partners and Stakeholders

3.4.1 Landowners and Developers

Landowners and developers are critical in the provision of land coming forward for development. This includes both allocated and windfall land for market development and exception sites for affordable housing delivery. We will continue to work closely with these private sector partners, through mechanisms such as developer forums and Housing Market Partnerships. The way in which development comes forward, particularly large sustainable urban extensions, may present opportunities to improve viability through the development of different phases. For example, low levels of affordable housing could be developed in the first phases, to ensure the ability to deliver site opening infrastructure, with higher levels of affordable housing in later phases. As identified above partnership working with all stakeholders to pool resources within the area, for example resources within the partner authorities and between development phases, or even different sites, and contributions from development may improve the ability to achieve requirements set out in documents such as the Local Plan more easily.

3.4.2 Local Enterprise Partnerships (LEP)

The LEP covers the administrative areas of Lincolnshire, North East Lincolnshire, and North Lincolnshire. The LEP is starting to establish priorities which can be summarised as growth and the creation of jobs for the following sectors

- agri-food
- advanced engineering
- renewables
- visitor economy
- care sector

Improvement of business conditions via transport (road) connectivity and availability and speed of broadband

With the strong interrelationship between housing and the economy the LEP will be an important partner to engage with over maximising opportunities for housing delivery in achieving economic outcomes

3.4.3 The affordable housing sector

Registered Providers have the capability to borrow private finance, which is critical to affordable housing delivery, as well as a significant asset base including operational surpluses, and existing financial or land assets, which are channelled into the delivery of affordable housing. These organisations also bring significant capability and expertise in affordable housing construction and design

As already identified the Homes and Communities Agency is a very important partner in the provision of enabling, support and investment expertise. Alongside this strategy and the Local Investment Plan, a Local Delivery Plan has been developed setting out the projects that will require HCA input to assist in delivery.

3.4.4 Community Groups/ Third Sector

Parish Councils represent the interests of their parish and are a valuable source of information and local expertise. As such they are an important partner and stakeholder in the delivery of sustainable growth.

There is a significant third sector in Lincolnshire with an estimated 2800 registered organisations, contributing about 3% of the enterprise in the County. These are non-governmental organisations that are value driven and principally reinvest surpluses to raise funds to further social, environmental and cultural objectives. They include organisations such as community groups, voluntary organisations, faith and equalities groups, charities, social enterprises, co-operatives, mutuals and housing associations.

Whilst the resources of this sector cannot be defined explicitly for this document it is recognised that it plays an essential contribution in delivering many of the outcomes. It will therefore play an important role in delivery.

Chapter 4: Action Plan

CLHS Strategic Objective - Deliver Sustainable Housing Growth					
Priority	Programme	Strategy Actions	Target /High Level measure	By whom	By when
Contribute to the development of the planning policies in the Core Strategy	Develop a core strategy to include key policies for delivery of growth and supporting strategies	Establish a housing strategy officer working group to develop the Housing Strategy and feed into Core Strategy Development	1. Established and Ongoing	JPU and Local Authority Leads	Completed and ongoing
	Ensure sufficient land is brought forward to deliver housing growth	Develop the Allocations Document	1. Number of sites and units allocated within Core Strategy and Allocations Document	JPU and Local Authority Leads	2013-14
	Ensure that an ongoing 5 year land supply is in place	All partners to develop and maintain appropriate evidence base and monitoring regime, and feed information into the SHLAA on an annual basis.	1. 5 year supply plus 20 % identified 2. Mechanism in place for reviewing land supply	JPU and Local Authority Leads	Ongoing
		All partners to work with the private and public sector to assemble land for housing growth.	1. Additional sites identified and agreed with partners in the SHLAA. 2. Number of units delivered on these sites	JPU and Local Authority Leads	Ongoing
	Identify 'stalled' schemes across Central Lincolnshire to assess their suitability for applications to further stimulus packages (e.g.	All partners to monitor the commencement of sites with planning permission and delivery against planning consent.	1. Number of stalled schemes. 2. Number of schemes submitted for bid. 3. Number of	CL District Authorities and JPU	Ongoing

	Get Britain Building)		additional units produced following successful bids.		
Deliver the housing growth targets across Central Lincolnshire	Deliver growth on Sustainable Urban Extensions.	All partners to work with site promoters and key stakeholders to determine deliverability, priorities and available resources, and develop masterplans.	1. Number of masterplans developed and approved 2. Number of Planning Permissions achieved on large sites 3. Progress made against housing trajectory 4. Number of units delivered	JPU and Local Authority Leads	SUE viability meetings with developers by Nov 2012 HMP meet by Dec 2012 Ongoing
	Implement the City Centre, Sleaford and Gainsborough Masterplans.	Ensure consistency of updated City Centre Masterplan with Housing Strategy. All partners to work with site promoters and key stakeholders to determine delivery, priorities, available resources and develop masterplans.	1. Progress made against project plan	JPU and Local Authority Leads	Ongoing
	Develop Economic Viability Assessments and implementation processes	Develop implementation of EVA to ensure that the maximum viable obligations are secured from developments to deliver sustainable growth	1. Level of obligations secured	CL District Authorities	EVA completed and signed by Oct 2012 Ongoing Implementation

Promote Central Lincolnshire as potential for growth	Work with local communities to promote the benefits of housing growth	Deliver an awareness raising campaign to highlight the need for and possible solutions for sustainable housing growth	1. Campaign developed and agreed 2. Level of community opposition to schemes 3. No. of communities engaged in campaign	CL District Authorities and JPU	2013-14
		Investigate the potential for promoting and enabling self-build, in particular through the 'Custom Build Homes' Programme.	1. Number of self-build units achieved	CL District Authorities and JPU	2013-14
	Marketing Central Lincolnshire	Develop and implement a marketing plan to maximise inward investment	1. Marketing plan in place 2. Level of investment secured	CL District Authorities and JPU	2013-14
CLHS Strategic Objective - Deliver Affordable Housing					
Priority	Programme	Projects to deliver objectives	Measure /Target		
Deliver Urban and Rural affordable housing	Delivery of affordable housing through AHP	Identify schemes to be delivered as part of the Affordable Homes Programme	1. Number of affordable homes started and completed 2. No. of units delivered in rural areas 3. No. of units secured in pipeline	CLHSWG and Registered Providers	Ongoing for programme duration Mar 2015
		Liaise with Providers to maximise opportunities through programme slippage	1. No. of units delivered through programme slippage	CLHSWG and Registered Providers	By Mar 2015

		Maintain dialogue with and lobby HCA in regards to current and future provision in Central Lincolnshire beyond 2015	1. Amount of additional funding secured 2. No. of additional units delivered	CLHSWG and Registered Providers	Ongoing
		Examine and understand the benefits of the New Build Indemnity Scheme, with a view to directing relevant households into the scheme.	1. Number of households directed to the scheme 2. Number of households successful in accessing the scheme	CLHSWG	By Mar 2013
	Delivery of affordable housing through the planning policy framework	Develop a policy to maximise affordable housing obligations on market developments	1. Policy developed 2. Level of obligation achieved	JPU and Districts	Jan 2013
		Embed the Three Dragon's viability tool kit into the development teams approach	1. Training provided and toolkit in place at each LA 2. Ongoing implementation learning and monitoring	JPU and Districts	Ongoing
		Negotiate with developers based on a robust assessment of viability	1. No of units delivered via planning obligations	CL District Authorities	Ongoing
		Ensure housing continues to be a key consideration during any renegotiation of S106 Agreements signed before April 2010.	1. Net change in number of affordable units produced (as opposed to those originally expected) as a result of renegotiations	CL District Authorities	Ongoing

	Investigate alternative mechanisms for delivering affordable housing	Develop a policy to enable reverse quotas on affordable housing schemes	1. Policy developed 2. Number of units delivered on reverse quota schemes	JPU and CL District Authorities	Jan 2013
		Actively engage with the umbrella Lincolnshire Community Land Trust	1. No units delivered via CLT	CL District Authorities	Ongoing
		Deliver Council House Building Programmes in NKDC and CoLC	1. No of units delivered per annum	NKDC and CoLC	Ongoing
		Investigate the potential for more innovative local authority involvement in the release of land, funding and other investment in affordable housing, including Land Auctions, 'Build Now, Pay Later' schemes, etc.	1. Total LA contribution to affordable housing - land (hectares), funding, etc	CLHSWG	Initial proposals by Mar 2013 Further development by October 2013
	Address specific issues in regards to delivering rural affordable housing	Develop understanding of housing needs in rural areas	1. No. of housing needs surveys completed per annum	NKDC and WLDC	Ongoing
		Proactively understand and remove barriers to rural delivery	1. % of schemes progressing in pipeline 2. No. of rural units delivered	NKDC, WLDC	Ongoing
		Investigate potential for rural delivery through Community Led schemes	1. No. of community led schemes started 2. No of units delivered on community led schemes	NKDC, WLDC	Ongoing
	Maximise land opportunities for delivery of affordable housing	Examine Local Authority land assets for potential affordable housing delivery	1. No of LA sites brought forward 2. No of units	All CL Local Authorities	Underway /Ongoing

			delivered on LA sites		
		Maximise opportunities arising from public sector land disposal strategies	1. No of public sector sites brought forward 2. No of units delivered on public sector sites	All CL Local Authorities and JPU	Ongoing
		Work with partners in the private sector to assemble land for affordable housing delivery	1. Additional sites identified and agreed with partners 2. Number of units delivered on these sites	CL Authorities , Registered Providers and JPU	Ongoing
		Investigate potential to assemble land packages for development including "difficult to develop" sites	1. No of sites brought forward 2. No of units delivered on difficult to develop sites	CLHSWG	By Mar 2013 initial assessment Ongoing
	Parish Councils, Community Groups and other stakeholder capacity building and engagement	Deliver a coordinated awareness raising campaign to highlight the need for and possible solutions for affordable housing	1. Campaign developed and agreed 2. Level of community opposition to schemes 3. No. of communities engaged in campaign	All CL Local Authorities and JPU Community Lincs Living Lincolnshire	Nov 2013
		Better understand skills and resources needed to enable Community led housing projects	1. Officers trained to enable community led housing projects	Lincolnshire CLT	Ongoing
CLHS Strategic Objective - Meeting the Diversity of Needs inc. Older Persons					
Priority	Programme	Projects to deliver	Measure /Target		

		objectives			
Deliver housing options for older people	Ensuring existing accommodation is good quality and appropriate for current and emerging needs	Assess options for remodelling of existing Council owned sheltered housing stock	1. Strategy and delivery plan in place 2. No of schemes remodelled	NKDC and CoLC	2014-15
		Deliver an aids and adaptations programme to enable older people to remain in their own home	1. No of Disabled Facilities Grants completed 2. No of other grants completed	CL Local Authorities	Ongoing
	Deliver new accommodation to meet the needs of older people	Assess opportunities to deliver specific schemes to address the need of persons with Dementia	1. No of specialist units delivered	CL Local Authorities and appropriate partners	Ongoing
		Assess opportunities to deliver a range of extra care accommodation	1. No of additional extra care units delivered	CL Local Authorities and appropriate partners	Ongoing
		Ensure older persons needs are met on new affordable housing developments	1. No of units delivered which meet older persons needs (e.g. bungalows, lifetime homes)	CL Local Authorities and appropriate partners	Ongoing
		Engage with specialist private developers to maximise opportunities for new build provision (e.g. care villages)	1. No of units delivered 2. No of affordable units delivered	CL Local Authorities and appropriate partners	Ongoing
Deliver housing options to meet specific needs	Ensure that current provision for specific groups is good quality and appropriate	Build a clear evidence base with regard to the accommodation currently available to	1. Appropriate research programme in place 2. Evidence base in	CL Local Authorities and appropriate partners	Ongoing

		meet specific needs	place and regularly reviewed		
		Assess options to address poor quality accommodation for specific needs groups	1. No of grants awarded to specific needs groups 2. No of homes made "Decent" occupied by vulnerable persons	CL Distirct Authorities	Ongoing
	Deliver new accommodation to address specific needs	Deliver 'Places for Change' projects in Lincoln and Gainsborough	1. Projects delivered	CoLC and WLDC Registered Providers HCA	By Mar 2015
		Engage with HCA and other private developers to increase level of specific needs provision	1. No of specific needs units delivered 2. Level of funding obtained	CL Distirct Authorities	Ongoing
		Work to ensure that specific needs provision is considered across all new developments	1. No of specific needs units delivered on new developments	CL Distirct Authorities	Ongoing
CLHS Strategic Objective - Maintain and Improve the housing stock and bring empty properties back into use					
Priority	Programme	Projects to deliver objectives	Measure /Target		
Community Regeneration	Enable community regeneration, whilst improving housing conditions	Develop sustainable Communities on ex MOD sites	1. No of housing related grants awarded 2. No of homes made "Decent" 3. No of additional	CL District Authorities	Ongoing
		Sleaford SE regeneration		NKDC	Ongoing

		Estate Regeneration Sleaford	units delivered NB - wider regeneration measures are required for these projects	NKDC	Ongoing
		Gainsborough SWW Regeneration and HCA Cluster funding project		WLDC	Ongoing to Mar 2015
Bring Empty Homes back into use	Ensure appropriate resources are in place to address issue of empty homes	Explore funding options through the HCA and other initiatives	1. Level of funding received for empty homes 2. No of empty homes brought back into use	CL District Authorities	Ongoing to Mar 2015
		Delivery of "Lincoln Empty Homes " pilot and "Gainsborough Retrofit Project"	1. 4 properties brought back into use in Lincoln 2. Gainsborough property successfully let	CoLC and WLDC	Ongoing to Mar 2015
		Put in place Officer resource with direct responsibility for empty homes	1, Officers in place within Central Lincolnshire 2. No of empty homes brought back into use	CL District Authorities	Ongoing to Mar 2015
		Implement the empty property strategy and toolkit	1. Progress against empty property strategy action plan	CL District Authorities	Ongoing to Mar 2015
Make best use of existing stock	Ensure that housing stock is maintained to a Decent standard	NKDC and CoLC maintenance and improvement programmes	1. No of Council properties meeting "Decent Homes" standard 2. Housing Revenue Account, 30 year business plans in place	CoLC and NKDC	Ongoing

		Proactively enforce against poor housing standards in the Private Sector	1. No enforcement notices served 2. No of prosecutions	CL District Authorities	Ongoing
	Address overcrowding and under occupancy in existing stock	Build an evidence base in regards to overcrowding and under occupancy	1. Evidence in place	CL District Authorities	2013-14
		Investigate options for resolving under occupancy	1. Actions developed and agreed	CL District Authorities	2013-14
	Improve the energy efficiency of existing stock	Evaluate and review HELP scheme and if appropriate identify funding for its continuation	1. No of persons assisted via HELP scheme 2. Appropriate funding identified and in place	CL District Authorities	By Mar 2013
		Understand implications of the Green Deal and the Local Authority role in its implementation	1. Implementation plans developed and agreed	CL District Authorities	By Jan 2013
CLHS Strategic Objective - Quality and energy efficiency in new housing stock					
Priority	Programme	Projects to deliver objectives	Measure /Target		
High quality and energy efficient new development	Promote innovation, high quality design and materials , in new developments	Investigate potential for joint procurement and specification across Central Lincolnshire	1. No of jointly procured contracts issued	CL District Authorities	2013-14
		Develop planning obligations and policies to support innovation	1. Policies developed and implemented	JPU and CL Local authority leads	Jan 2013

		Investigate alternative funding sources for innovative build	1. Level of funding secured for innovative projects	CL District Authorities	2013-14
	Increase energy efficiency standards and sustainable use of resources	Assess options to achieve higher 'Code for Sustainable Homes' standards	1. No of units delivered to code level 4 and above	CL District Authorities	2013-14
		Investigate alternatives for developing reduced/zero carbon homes	1. No of reduced/zero carbon units delivered 2. Level of carbon reduction achieved across developments	CL District Authorities	2013-14
		Implement appropriate recommendations from the Central Lincolnshire Energy Project	1. No of recommendations implemented	CL Local Authorities	Ongoing
		Deliver and monitor Gainsborough Eco Towns Project	1. Delivery and let of 7 affordable eco homes 2. Fuel bill and energy usage monitoring	WLDC	Project Completed. Monitoring ongoing
CLHS Strategic Objective - Maintain a robust and up to date evidence base					
Priority	Programme	Projects to deliver objectives	Measure /Target		
An evidence base that informs future priorities for Central Lincolnshire	Establish the evidence base requirements	Agree and map key information needed for a Central Lincolnshire evidence base	1. Research program developed	JPU and CL Local authority leads	Mar 2013
	Monitoring the evidence base	Develop framework for monitoring evidence as part of Growth Strategy	1. Framework agreed and in place	JPU and CL Local authority leads	Annually by December

		Develop shared reporting and performance criteria	1. Criteria and reporting mechanisms developed	JPU and CL Local authority leads	By Mar 2013
	Updating the evidence base	Develop an agreed mechanism for updating evidence base	1. Evidence updated on agreed basis	JPU and CL Local authority leads	By Mar 2013
		Explore opportunities to expand the evidence base as required	1. Funding in place for reviewing/expanding evidence base 2. No of new evidence reports commissioned	JPU and CL Local authority leads	Ongoing
		Provide robust information to the Lincolnshire LEP to support the ongoing requirement for improvements to the Central Lincolnshire infrastructure, which could be funded from the Growing Places Fund.	1. Amount of infrastructure funding provided for Central Lincolnshire	JPU and CL Local authority leads	Ongoing
		Assess implications of household projection estimates when published	Completed assessment	JPU and CL Local authority leads	By 2013