

Homelessness and Housing Supply

Duncan Hall – 4 March 2020

Borough Council of
King's Lynn &
West Norfolk



Homelessness and Rough Sleeping Strategy 2019 -2024

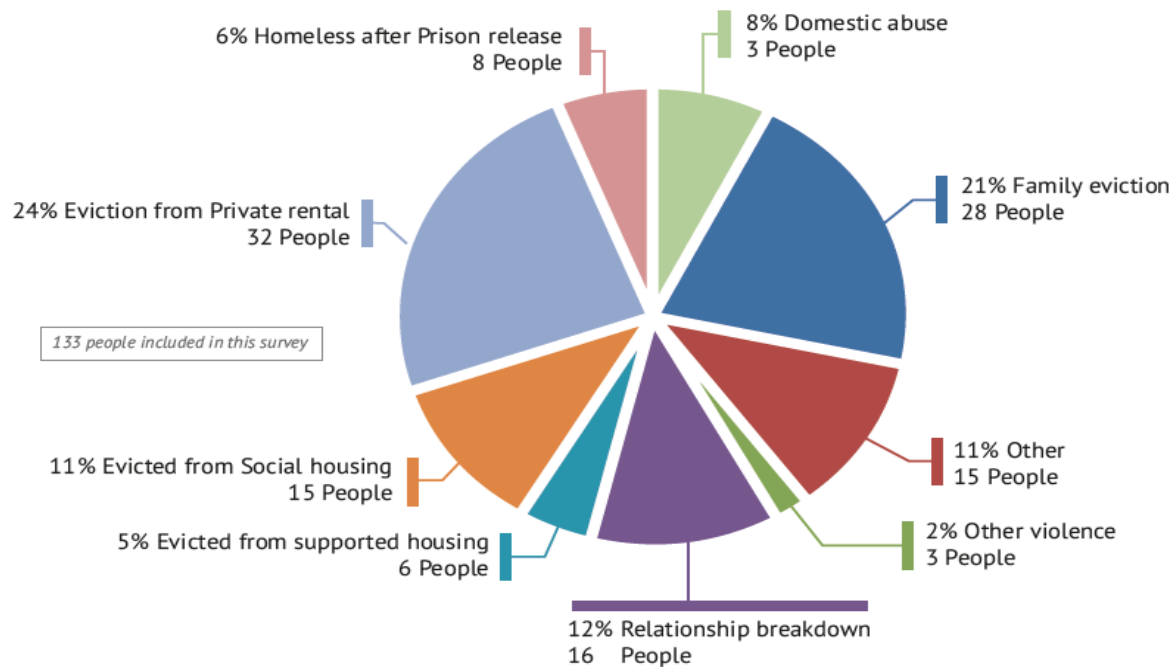
Partners:



Reasons for homelessness

King's Lynn and West Norfolk Q3 2018 - 2019

Reason for approach as homeless or threatened with homelessness



Source: Borough Council of King's Lynn and West Norfolk

Causes of homelessness

| | |
|---------------------------------|--------|
| Cost of shared room pw | £95 |
| Housing Benefit pw | £55 |
| Shortfall pw | £40 |
| Employment Support Allowance pw | £57.90 |
| Left to live on pw | £17.90 |

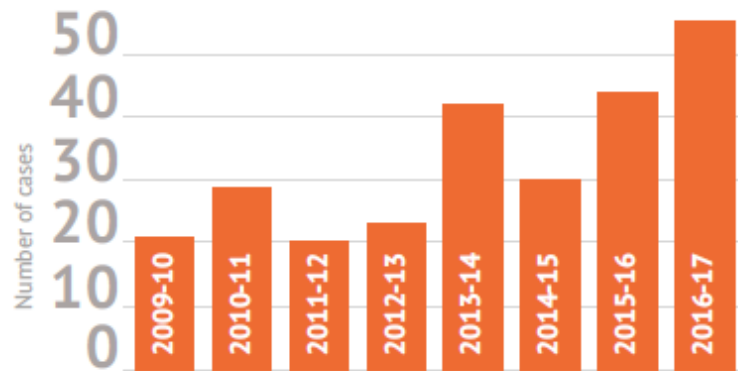
| Year | New Build Affordable Housing completions |
|-------|--|
| 10/11 | 157 |
| 11/12 | 148 |
| 12/13 | 109 |
| 13/14 | 27 |
| 14/15 | 60 |
| 15/16 | 73 |
| 16/17 | 28 (net gain of 24) |
| 17/18 | 29 (net gain 25) 30 RTB= - 5AH units |
| 18/19 | 61 |

| Year | Number of lets |
|-------|----------------|
| 07/08 | 859 |
| 08/09 | 711 |
| 09/10 | 948 |
| 10/11 | 828 |
| 11/12 | 919 |
| 12/13 | 658 |
| 13/14 | 816 |
| 14/15 | 823 |
| 15/16 | 641 |
| 16/17 | 571 |
| 17/18 | 548 |
| 18/19 | 479 |

Measures of homelessness

Graphic 1.7

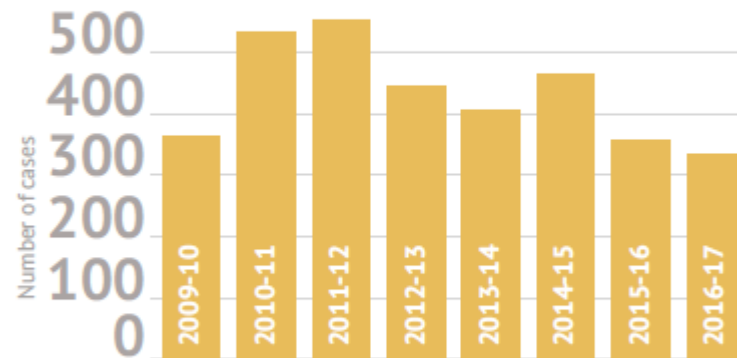
Housed in temporary accommodation King's Lynn & West Norfolk



Source: National Audit Office, Homelessness in England
Visualisation, Published 14 Jun 2017
<https://www.nao.org.uk/other/homelessness-in-england-visualisation/>

Graphic 1.8

Cases of homelessness prevention King's Lynn & West Norfolk

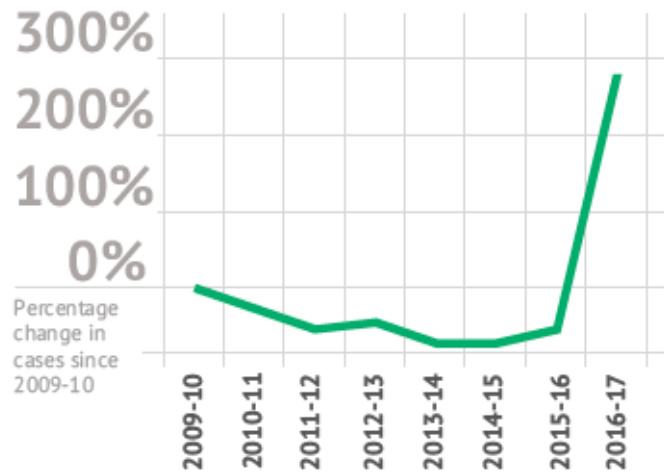


Source: National Audit Office, Homelessness in England
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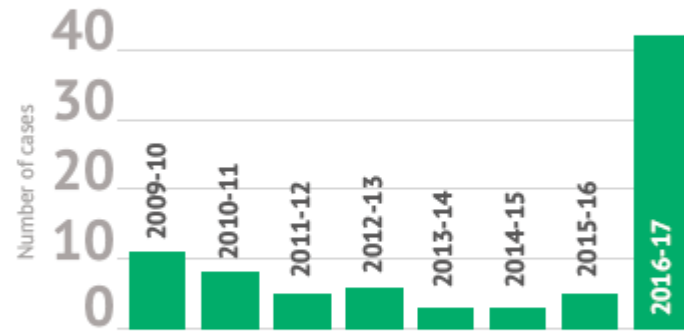


Measures of homelessness

Graphic 2.2
Percentage change in measures of homelessness since 2010-11
King's Lynn & West Norfolk



Graphic 2.3
Rough Sleepers in King's Lynn & West Norfolk



Source: National Audit Office, Homelessness in England Visualisation, Published 14 Jun 2017
<https://www.nao.org.uk/other/homelessness-in-england-visualisation/>

Indicators of homelessness

Graphic 2.4

On-going record of those rough sleeping, or in danger of rough sleeping

- 9 Rough sleeping on the night of 14th November
- 23 Sofa Surfing
- 16 In accommodation
 - 1 x QEH in patient
 - 2 x in prison
 - 4 x EDAB'S
 - 2 x Housed
 - 4 x Accommodated at Merchants Terrace
 - 1 x Staying with family
 - 1 x Accommodated a Right Tracks
 - 1 x cohabiting with new partner

Source: Borough Council of King's Lynn and West Norfolk / King's Lynn and West Norfolk

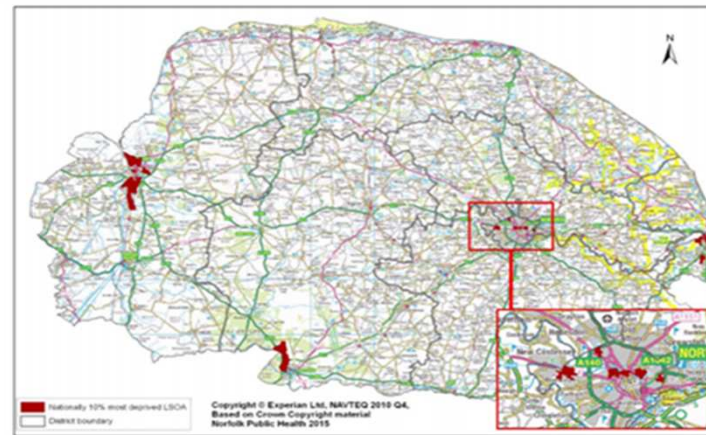


Figure 1 Areas of Norfolk in the 10% most deprived areas nationally (IMD 2010, DCLG)

| District | Number of LSOAs in the nationally most deprived 10% | % population living in the nationally most deprived 10% | Population living in the nationally most deprived 10% | Population (ONS 2013 mid-year estimate) |
|------------------------------|---|---|---|---|
| Breckland | 1 | 1.7% | 2,273 | 132,587 |
| Broadland | 0 | 0.0% | 0 | 125,499 |
| Great Yarmouth | 13 | 23.1% | 22,572 | 97,796 |
| King's Lynn and West Norfolk | 7 | 8.5% | 12,614 | 148,758 |
| North Norfolk | 0 | 0.0% | 0 | 102,043 |
| Norwich | 8 | 9.3% | 12,649 | 135,893 |
| South Norfolk | 0 | 0.0% | 0 | 127,570 |
| Norfolk | 29 | 5.8% | 50,108 | 870,146 |

Table 1 Population in districts of Norfolk living in the most deprived 10% of areas nationally







Rough Sleeping

Who are the Rough Sleeping Community?

- 2/3rd male 1/3 female
- Multiple disadvantage
- Commonly mental health issues
- Commonly addiction problems
- Most often disengaged



New Legislation – Homelessness Reduction Act

- Helping more single homeless
- 30% increase in resources
- 112 days of additional duty
- Fall in main housing duty numbers
- Invested heavily in software to deal with PHP and H-Clic

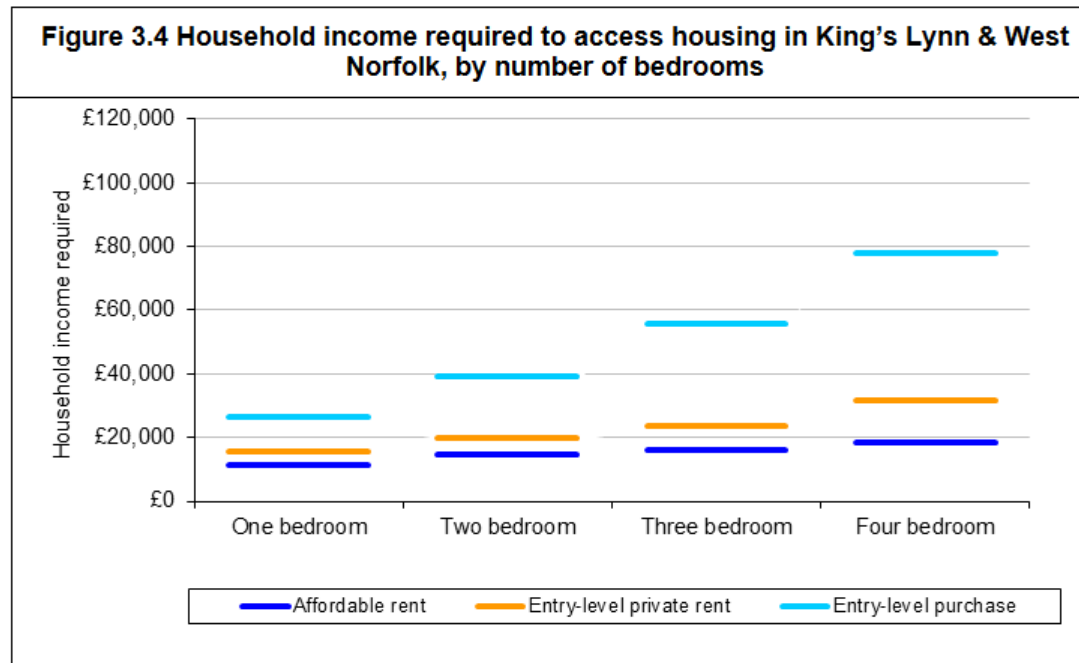


Housing Stock

- the number of dwellings has increased by **2.6%**, **almost 1,950 properties** between 2013 and 2018. In comparison, the dwelling stock in **the East region increased by 4.3%**, whilst the dwelling stock of **England increased by 4.0%**.
- Some **14.8%** of households in King's Lynn & West Norfolk are resident in the **Social Rented** sector (national average 17.2%).
- **16.3%** of households in the Borough live in **private rented** accommodation, compared to 18.7% in the East region and 19.9% across England.
- Between 2011 and 2016 in all areas the private rented sector has increased and the number of owner-occupiers with no mortgage has also grown.



The cost and affordability of housing



Source: Online survey of property prices July 2019; HCA's Statistical Data Return 2018,

Shared Ownership

- 25% equity share on S/O products is cheaper than **market entry rent** in all instances
- The very large gap between market entry rents and market entry purchase in all cases indicates notable potential demand for **part-ownership** products for households in this gap.
- Reduced need for a deposit with shared ownership

| <i>Bedrooms</i> | <i>Open market value</i> | <i>Shared Ownership – 40% equity</i> | <i>Shared Ownership – 25% equity</i> | <i>Starter Homes</i> | <i>Shared equity</i> | <i>Entry-level private rent</i> | <i>Entry-level owner-occupation*</i> |
|-----------------|--------------------------|--------------------------------------|--------------------------------------|----------------------|----------------------|---------------------------------|--------------------------------------|
| One bedroom | £120,000 | £388 | £346 | £447 | £456 | £460 | £431 |
| Two bedrooms | £160,000 | £518 | £461 | £596 | £654 | £575 | £635 |
| Three bedrooms | £225,000 | £728 | £649 | £838 | £951 | £695 | £908 |
| Four bedrooms | £320,000 | £1,036 | £922 | £1,192 | £1,387 | £925 | £1,271 |

*The monthly cost of entry-level owner-occupation presuming a 30-year repayment mortgage with an interest rate of 3.79%. Source: Online estate agents survey, July 2019

Shared ownership potential

- 3 bed house
- OMV £205K
- 25% share
- 2.75% unsold equity
- £4,500 deposit
- £511 per month

- Typical purchasers
 - Working families
 - Currently private renting in King's Lynn



12

3 bedroom terraced house
Sandpiper Way.

Attractive contemporary family home; boasting spacious rooms, high specification kitchen, gas central heating, allocated parking and much more!

Reduced yesterday by Abbots Lettings, King's Lynn

£800 pcm
£185 pw

HIGH SPECIFICATION

Abbots 01553 403109
Local call rate

Email agent

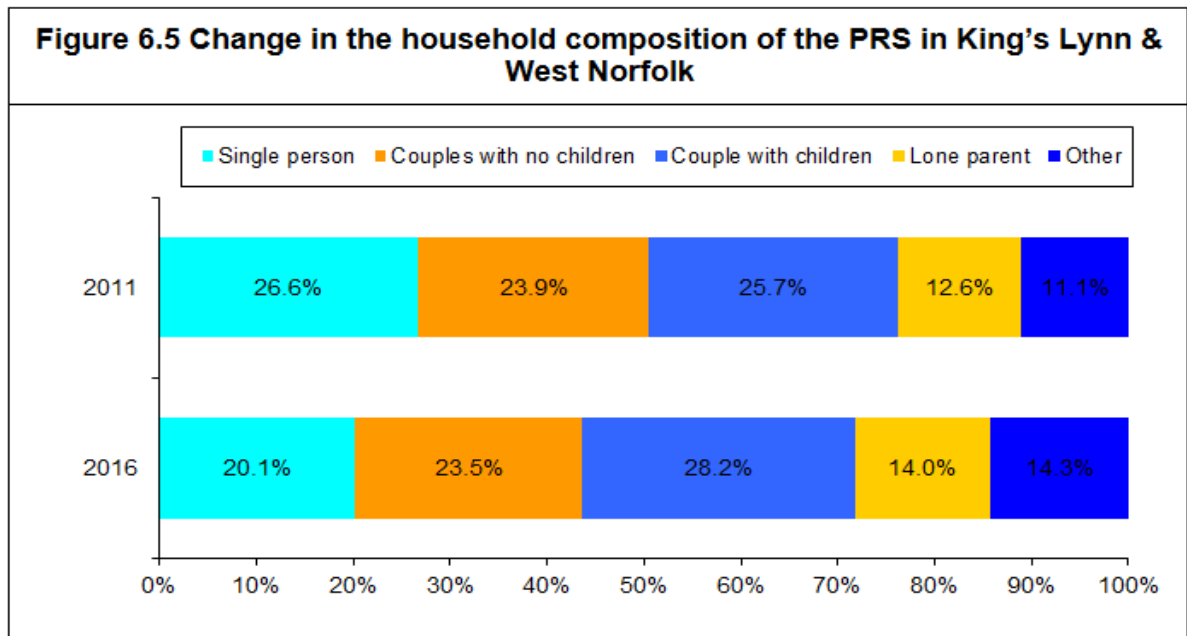


Private Rented Sector (PRS)

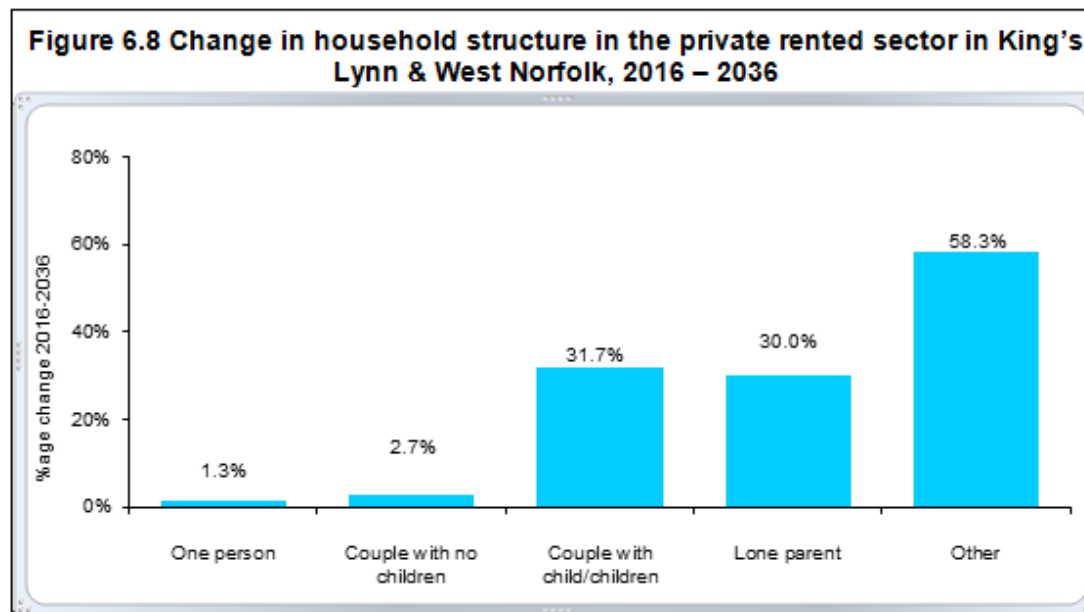
- It increased by 34.2% between 2011-2016 - projected to increase by 21.2% by 2036
- Growth being fuelled by **families and sharing households** at the end of the plan period 43.4% families with children
- Still significant gap between Housing Benefit (LHA rates) & rent costs
- On average 10 years to save enough money when living in PRS for a deposit on a 3 or 4 bed entry level home



Private Rented Sector



Private Rented Sector



Affordability of market housing

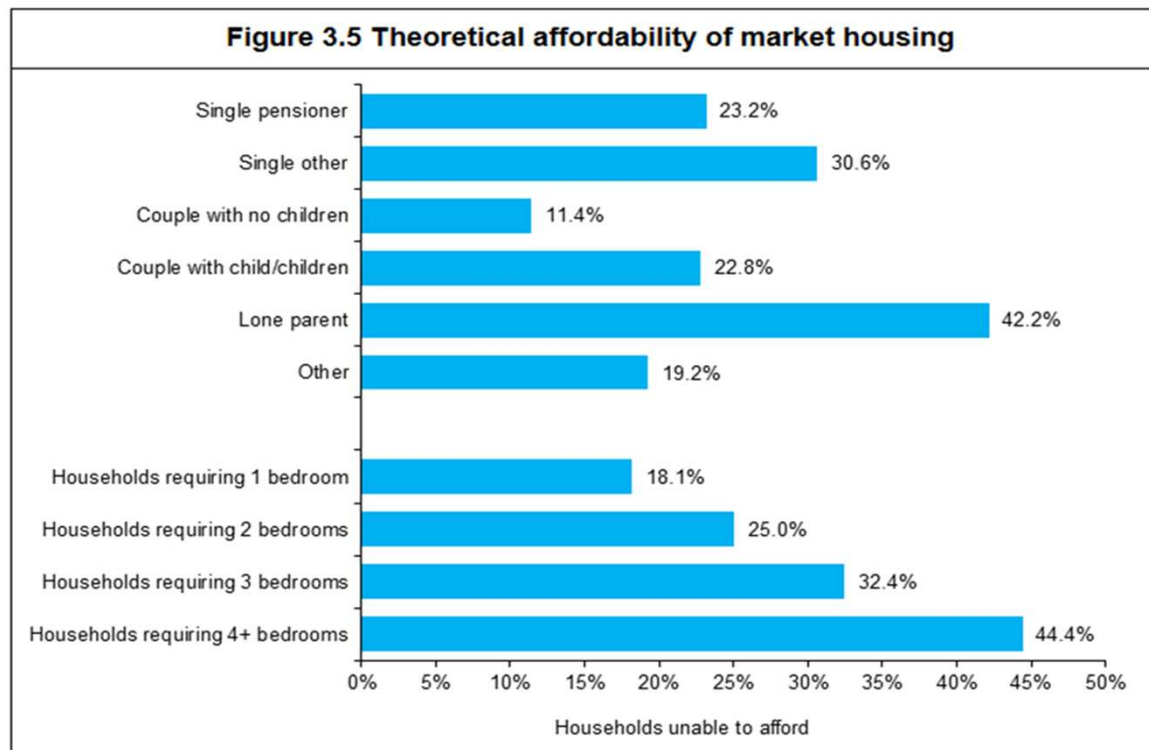
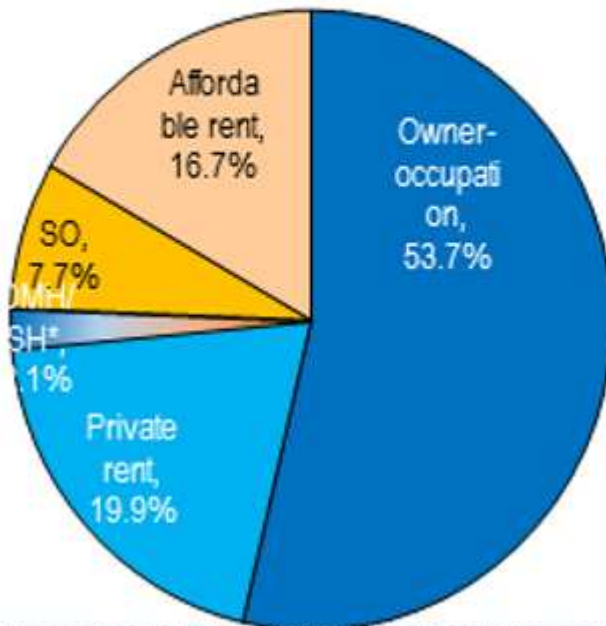


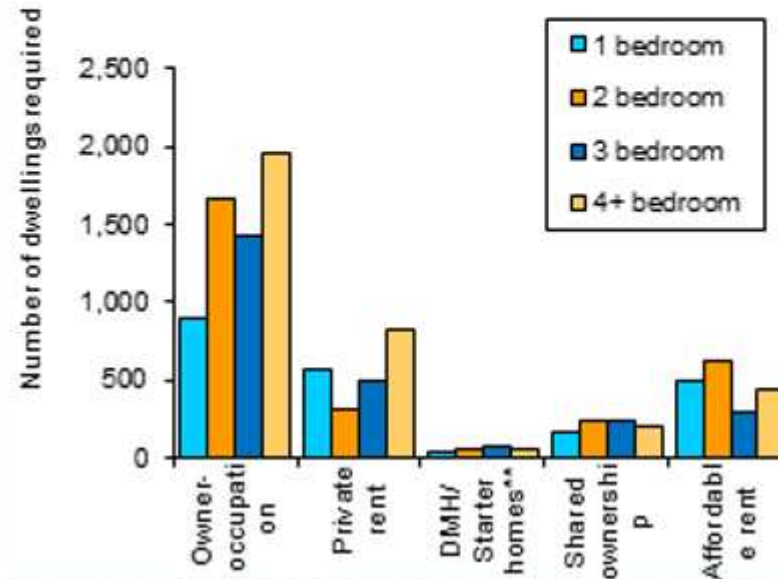
Figure 7.1 Requirement for all new housing in King's Lynn & West Norfolk over the plan period

Chart Area

Tenure split



Size profile



*Discount market housing/ Starter homes figures represent potential demand rather than a requirement



Policy Implications

- Need to plan for appropriate tenure split
- Consider consequence of the ending of the Help to Buy initiative in 2023
- Encourage/ facilitate more investment in PRS
- Housing policies to enable more shared ownership/ assisted purchase (starter homes/ rent to buy)
- Implications for increase in sharing households (others)
- Plan for more older persons housing – more accessible



Conclusions

- Significant housing need across all tenures
- Significant changes in make up of sector-more PRS & Intermediate products (shared ownership/ rent-to-buy)
- Significant ageing population-long term health & disability increases-potential policy on lifetime homes requirements
- Viability study to follow:
 - To test affordable housing requirements
 - To address climate change policy requirements (adaption & mitigation)

