

Milton Keynes Housing Strategy 2019-2024



Table of Contents

Foreword by Portfolio Holder for Housing.....	1
Executive Summary	3
Introduction.....	4
Our priorities and why they are important.....	6
Priority One: High quality placemaking, creating great places to live	9
Priority Two: Increase the delivery of homes, including truly affordable housing, along with the infrastructure to meet housing need	10
Priority Three: Ensure that everyone has access to appropriate, safe and secure housing that meets their needs	12
Priority Four: Ensure high quality homes and landlord services	13
Delivery and monitoring.....	15

Foreword by Councillor Long

This strategy provides a clear vision of how we can, with the public and other stakeholders achieve our shared aspiration in providing housing that meets the needs and requirements of Milton Keynes. It reflects how vital good housing is to the health and wellbeing of residents, the role it plays in building and maintaining strong communities and how housing is entwined with the economic prosperity of Milton Keynes.

Not everyone in Milton Keynes can access affordable, sustainable and good quality housing and yet this is central to residents being able to live prosperous, healthy and happy lives. Pressures of a growing and aging population will create additional demand. This strategy sets out possible solutions and approaches to overcoming these challenges.

We need to design and build houses that people want to live in and that bring benefits to new and existing communities. We need to meet the requirements of groups with specific needs, from providing a wider choice of housing options for young people struggling to get onto the housing ladder, to future-proofing homes to support our ageing population, enabling them to remain in their own homes for as long as possible.

But the council cannot solve this problem alone. We will work with housing associations, developers and others to tackle the shortage of affordable housing in new and innovative ways.

MK Council as a landlord: The Housing Strategy reaffirms the Council's long term commitment to being a high quality landlord with a growing stock of homes, whilst recognising the need to modernise the service to become more customer focused. The strategy commits the Council to increasing choice through the introduction of Choice Based Lettings. We see choice and control for tenants and leaseholders as central to a modernised MK Council landlord service.

MK Council as a Planner: The Housing Strategy is central to the delivery of PlanMK which sets out the vision and framework for the future development of Milton Keynes, addressing issues such as housing, the economy, infrastructure, the environment, adapting to climate change and securing good design. We are committed to developing a close working relationship with the planning service and will seek early involvement in discussions on all major housing developments.

Regeneration: We remain committed to regeneration, but want to move to a focus on jobs, skills and better life chances. We want to ensure that regeneration proposals are financed from a range of sources and that communities define their regeneration needs and priorities. We also aim, through the delivery of the Housing Revenue Account (HRA) Business Plan 2019/20 - 2048/49 to create a Milton Keynes Housing Standard and to reintroduce an annual capital investment programme for long term investment in our housing stock.

Homelessness: The delivery of secure, truly affordable housing will also help us to tackle the problem of homelessness and reduce the use of temporary accommodation. The needs of rough sleepers will continue to be addressed through our Housing First service which puts the provision of an independent home first, followed by personalised, wraparound support.

Despite the economic and social challenges ahead, I am confident that this strategy will succeed in its aim of providing a blueprint for progress over the next few years in delivering the homes we need, as well as identifying additional opportunities for further progress in this important area.

Cllr Nigel Long - Cabinet Member for Housing and Regeneration

Executive Summary

The Milton Keynes Housing Strategy is a high level document that sets out the strategic direction for housing activity in Milton Keynes. Its purpose is to set the context as to how we aim to meet the housing challenges facing us, setting out key priorities for action. It supports the ambitions of the Council through its Council Plan, Plan:MK and the Housing Delivery Action Plan.

Whilst recognising the National Planning Policy Framework (NPPF) and the Government's definition of affordable housing, this strategy sets out this Council's commitment to delivering truly affordable homes. Milton Keynes Council defines truly affordable housing as housing for sale or rent at below market rates that is available in a variety of tenure and types and at costs that are linked to local incomes. This will provide a choice of homes that will not cost more than a household can afford to pay without being forced to cut back on the essentials or falling into debt.

The strategy recognises the importance of placemaking and how housing needs to complement and integrate with the spaces around it so that people feel part of a community and can easily access the services and amenities they need. One of our priorities is therefore high quality placemaking and creating great places to live.

House building targets for Milton Keynes have been missed every year between 2009/10 and 2017/18 and so demand has continually outstripped supply. Targets were met however in 2018/19 with 1,781 houses delivered against a target of 1,766. The Council's Housing Delivery Action Plan coupled with the growth strategy in Plan:MK will help us meet targets for 2019/20 and beyond.

The failure of the National Planning Policy Framework to deliver affordable housing means that local residents are being let down and the Council and its partners are unable to deliver homes that are truly affordable and meet local priority needs. Whilst the Council has identified sites and planned for growth, actual delivery rates over recent years have not matched those set out in planning policy since 2009/10. Our second priority is therefore to increase the delivery of new homes, including affordable housing. We are also committed to a substantial rise in new council housing to meet core housing need, providing a range of larger properties for families.

Our third priority is to ensure that all people have fair and equal access to safe and secure housing that meets their needs. This includes addressing the specific needs of groups facing housing related challenges, including children and adults with disabilities and complex health issues, care leavers and older people. We will help and support people to prevent them becoming homeless and enable them to secure and maintain good quality, permanent accommodation.

Lastly, as a landlord, MK Council is committed to providing high quality homes and landlord services. We will invest in our housing stock through a long term investment programme. We will work with local communities and put them at the heart of the decision making process to ensure that investment in our housing stock, landlord services and regeneration is shaped and delivered in a way that meets their needs and priorities. We will also strive to drive up standards in the private rented sector.

Introduction

This strategy identifies the key housing challenges facing Milton Keynes and sets out the Council's priorities for tackling them. Our vision is:

To provide good quality housing that meets everyone's needs, is truly affordable and supports the creation of great places to live. Such truly affordable housing must meet local priority needs.

Together with Plan:MK, MK Futures 2050, the Sustainability Strategy 2019-2050 and the Health and Wellbeing Strategy, the Housing Strategy supports the delivery of the Council Plan and provides the strategic framework to deliver our housing priorities.



The Council Plan sets out the overall priorities and programme of work for the period 2016-22. Housing, homelessness and regeneration are key priorities, with an ambition that 'every person can live in a good home, to buy or rent at a price people can afford in a great environment.'

Plan:MK is the Council's new Local Plan. It sets out our growth ambitions between now and 2031 and the level of new homes, jobs and infrastructure needed to support this.

The **MK Futures 2050 Commission** report sets out a vision for Milton Keynes in 2050 and views on how to 'Make a Great Borough Greater.'

The **Milton Keynes Joint Health and Wellbeing Strategy 2018-2028** places our community at the heart of our wish to improve health and wellbeing, and to reduce health inequalities. It recognises the impact that housing quality can have on people's physical and mental health and sets out a priority to tackle the number of rough sleepers and the rise of households in temporary accommodation, and reduce low quality housing.

The **Sustainability Strategy 2019-2050** sets out the long term vision to create a world-leading sustainable city which recognises that it has a vital role in tackling the global challenges of climate change.

The national housing picture

The UK has historically struggled to deliver the number of new homes required. This has resulted in house prices and private sector rents increasing beyond the reach of most households. Since 2010, the Government's policies have reduced the number of affordable houses delivered (by reducing grant levels and imposing a viability constraint within the National Planning Policy Framework that limits affordable housing).

In February 2017 the Government published a housing White Paper, *Fixing our Broken Housing Market*, which included a commitment to council house new build. This was followed in the Budget (November 2017) with the announcement of an additional £880m for local authority house building between 2019 and 2022.

In August 2018 the Government issued its consultation paper on the *Use of receipts from Right to Buy sales*. The consultation paper proposes to grant greater flexibility to councils in how much of receipts can be used to develop new housing, and extend the time period for the retention of current receipts.

The Housing Green Paper, published in August 2018 aims to rebalance the relationship between landlords and residents, tackle stigma and ensure social housing can act as a stable base and support social mobility.

In his Autumn Budget 2018, the Chancellor removed the HRA Debt Cap, freeing councils to borrow more to invest in new housing. It is yet to be understood what the full implications of this will be.

Our Priorities and why they are important

Priority 1: High quality placemaking, creating great places to live

The quality of the environment in which homes are built is as important to our health, wellbeing and prosperity as the buildings themselves. The way in which housing blends with the spaces around it can impact on how much we feel part of a community and how easily we can access the services we need. Neighbourhoods that are inclusive and welcoming, that allow residents to get around and meet people on foot or by cycle, help to protect their residents from a range of avoidable health related issues including physical inactivity, social isolation and depression.

Addressing only the physical aspects of housing in Milton Keynes will not in itself improve the health, wellbeing and prosperity of our communities, or reduce inequalities. Housing poverty in the form of material deprivation (inability to afford basic resources and services such as sufficient food and heating) is a persistent issue within certain localities and communities. If we wish to address this, then the location and energy efficiency of our housing and the built environment around it must also take into account easy access to health and social care, education, employment, transport and healthy food.

Priority 2: Increase the delivery of new homes, including truly affordable housing, along with the infrastructure to meet housing need

An additional 26,500 new homes are needed in the Borough between 2016 and 2031 to meet housing need¹. House builders in Milton Keynes missed the annual housing target every year between 2009/10 and 2017/18, with a total shortfall of 3,185 new homes since 2010/11. This has fuelled price increases as demand has continually outstripped supply. The cost of buying a home in Milton Keynes has increased 69% since 2010, compared to a 46% increase in England². This has led to a drop in home ownership of 8% since 2011, with a comparable increase in the number of families living in the private rented sector. The Council's Housing Delivery Action Plan aims to address these issues and ensure that our housebuilding targets are met or exceeded.

Affordability is rapidly becoming a major issue, exacerbated by the slow rates of build and reduced scale of delivery which are driving prices even higher. In Milton Keynes we have failed to meet the 30% policy requirement for affordable housing since 2009/10. This coupled with the failure of the National Planning Policy Framework to deliver affordable housing means that local residents are being let down and the Council and its partners are unable to deliver homes that are truly affordable and meet local priority needs.

The National Infrastructure Commission (NIC)³ identified the Cambridge - Milton Keynes - Oxford Arc as key to the UK's future economy. However, it noted that a chronic undersupply of homes could jeopardise this. It recommended that the Government should give local areas the powers and resources to shape high quality, well-connected places for new and existing residents⁴. The Council is working with the Government to achieve this.

¹ Strategic Housing Market Assessment 2017: <https://www.milton-keynes.gov.uk/planning-and-building/planning-policy/evidence-base-documents>

² Section 7 Evidence Base

³ See <https://www.nic.org.uk/our-work/growth-corridor/>

⁴ The NIC recommended the re-establishment of Milton Keynes as a development location of national significance, through the intensification and expansion of the town to a population of at least 500,000 people.

Between 1981 and 2013, Milton Keynes was the fastest growing economy in the UK⁵. A key driver in future will be knowledge intensive business services such as accountancy and information technology. It is important that we secure the skills in these areas to support growth. The Council is developing a new undergraduate technology university for up to 10,000 students which is due to open in 2023. Provision of new student housing will need to be closely aligned with the growth in university student numbers and consideration given to the scale and impact of any such developments.

Priority 3: Ensure that everyone has access to appropriate, safe and secure housing that meets their needs

The Council faces two distinct challenges in relation to homelessness. The first is the high number of households living in temporary accommodation. The termination of assured shorthold tenancies by private landlords is statistically the number one reason why families become homeless in Milton Keynes, contributing to a sharp increase in homelessness. The number of households in temporary accommodation has increased from 82 in March 2010 to 786 in June 2019. The number of children in temporary accommodation in June 2019 was 1320.

When people become homeless or are moved into temporary accommodation, their health and wellbeing is impacted. The uncertainty of their situation, often combined with poor living conditions, impacts both physically and mentally on homeless individuals and families. Children's schooling and education can also be significantly affected.

The second area and most visible sign of homelessness, is people sleeping rough on the streets. In Milton Keynes, the number of people sleeping rough had risen from 6 in 2012, to 41 in November 2018. The true number is currently estimated to be 30 (May 2019).

Another challenge we face is the lack of appropriate housing for those at greatest risk in our communities including young people, families with young children, care leavers, ex-offenders, those suffering from domestic abuse and asylum seekers. There is also a lack of appropriate housing for other groups of people with specific needs, such as older people, those with physical and/or learning disabilities, and those multiple and complex health and social care needs.

Priority 4: Ensure high quality homes and landlord services

It is estimated that 20% of the UK's housing stock does not meet the decent home standard and that the cost to the NHS of poor quality housing is at least £1.4billion per year¹². A growing proportion of the population now live in privately rented properties. This sector now houses 19% of the population but it has higher levels of damp than other sectors, one in five households are fuel poor; and there are twice as many homes in poor condition.

The English Housing Survey 2016/17 published by the Ministry of Housing, Communities and Local Government puts the average level of non-decent homes in the social housing sector at 13%. In Milton Keynes, a stock condition survey carried out between September 2016 and April 2017 showed that the general condition of council homes is poor and that around 35% are non-decent. The high level of non-decency in Milton Keynes represents a significant investment need in order to

⁵ P12 MK Futures 2050 Commission Report

secure the long term future of the stock and ensure our tenants have access to good quality housing. Work is currently ongoing through the delivery of the HRA Business Plan to ensure that the Housing Revenue Account is sustainable and can viably deliver local priorities.

The Council's RegenerationMK 2030 Strategy identifies seven estates⁶ in the top 15% most deprived nationally. Its three priorities are **People** (people are empowered to take ownership of their future), **Place** (improved surroundings will help improve lives) and **Prosperity** (barriers are removed between people and jobs so ambitions can be realised). The Regeneration Strategy will be reviewed in 2019 and will have a much greater focus on jobs, skills and enhancing people's life chances. The Council is committed to working with local communities and putting local people at the heart of the decision making process to ensure that regeneration is shaped and delivered in a way that meets their needs and priorities.

DRAFT

⁶ Fullers Slade, Bradville North, Lakes Estate, Tinkers Bridge, Coffee Hall, Beanhill and Netherfield

Our priorities: what we will deliver

Priority 1: High quality placemaking, creating great places to live

This strategy has an important part to play in creating great places. We aim to ensure that all housing, in particular affordable housing is developed alongside the provision of community infrastructure and services.

We will do this by:

1. Continuing to develop partnership working with appropriate internal and external partners, including housebuilders, to ensure joined up delivery of housing and community infrastructure in new and existing local communities.
2. Creating safer living environments through careful neighbourhood design, proactively tackling antisocial behaviour, and addressing the fear and perception of crime in our local communities.
3. Cultivating healthier places to live by designing and shaping neighbourhoods, housing, the local food environment, the natural and sustainable environment and transport, to promote health outcomes.
4. Promoting walkable neighbourhoods through layout and design which will see more people using public transport, cycling and walking and ensuring that all new developments include green energy generation schemes
5. Promoting homes that are well located to services and facilities and well integrated into the community to help combat loneliness and isolation and provide easy access work opportunities.
6. Developing a proposition to ensure all new housing is built with high quality green space to the standards Milton Keynes expects.

Priority 2: Increase the delivery of new homes, including truly affordable housing, along with the infrastructure to meet housing need

We are committed to supporting the Council's growth ambitions as set out in Plan:MK and the Housing Delivery Action Plan, by securing a step change in the number of new homes being built and ensuring enough new homes are provided that meet the needs and affordability levels of local residents. We aim to:

- Increase housing supply, including council housing, by working collaboratively with all key stakeholders, including developers, housing associations and Homes England
- Ensure that affordable homes are truly affordable for local people
- Increase the diversity of affordable housing options and provide choice to those aspiring to own their own homes by increasing the range of intermediate housing products

We will do this by:

1. Securing cross party agreement to deliver more homes and ensure that all relevant Council Service Plans are aligned to this objective. This will include agreement to release more Council owned sites for new housing^{7,8}
2. Negotiating a Housing Deal from government to support Milton Keynes' needs, securing investment to support the delivery of new homes to 2025/26 and beyond.
3. Securing additional inward investment in the provision of new homes by working more closely with Homes England and registered providers to enable the provision and diversity of homes to meet different needs. We will look to support this through the use of our own investment opportunities and land⁹
4. Building 500 new council homes by 2022. In addition we will ensure that 100 new accessible properties are built, both by the Council and by specialist providers.
5. Investigating the establishment of a disruptive council-owned housing company to deliver 2000 new truly affordable homes for local households by 2023, and support alternative delivery models such as Community Land Trusts, housing co-operatives and other forms of mutual housing.
6. Working with Government, Homes England, developers and registered providers to target the provision of an additional 37,500 truly affordable homes by 2050.
7. Developing a model to compulsorily purchase suitable sites such as those in the 'Brown Field Register' and working with a variety of development partners to deliver them.

⁷ Estimated by YourMK as being around 23% of the stock as at March 2017

⁸ As per Cabinet decision 2nd January 2018 – see <http://milton-keynes.cmis.uk.com/milton-keynes/Calendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/5634/Committee/1172/Default.aspx>

⁹ Including Milton Keynes Development Partnership land: the Partnership has recently been charged with delivering 36% affordable housing on its sites.

8. Working with Milton Keynes Development Partnership to explore options to enable council house building on the Council's land in order to offer a greater choice of council housing to our residents
9. Encouraging small and medium enterprises to build by working with local communities to identify small and medium sites for development
10. Continuing to acquire empty properties across Milton Keynes in order to meet local needs and enhance choice across all areas of Milton Keynes.
11. Working with communities through the neighbourhood planning process to ensure that neighbourhood plans have regard to this Strategy.

DRAFT

Priority 3: Ensure that everyone has access to appropriate, safe and secure housing that meets their needs

We want to ensure that everyone has fair and equal access to housing that is safe, secure, truly affordable and meets their specific needs. We will help and support people to prevent them becoming homeless and enable them to secure and maintain good quality, permanent accommodation. We aim to:

- Promote a range of housing options that enable people to live safely and independently for as long as possible
- Continue to work with relevant partners to improve the integration of housing, health and social care services.

We will do this by:

1. Focussing on homelessness prevention by developing a new Homelessness Strategy aligned to the Homelessness Reduction Act, setting out how we and our partners will help people address their housing needs to avoid homelessness.
2. Being clear about how and when we will use temporary accommodation by developing a Temporary Accommodation Placement Policy that establishes a clear commitment to placing in-borough wherever possible, and clear criteria showing how we will determine whether and in what circumstances placement outside the borough is justified. This policy will take into account the needs and welfare of children, and will aim to minimise changes to schooling as far as possible.
3. Being clear about who can apply for council housing by implementing a new Allocations Policy that will set out the criteria for applying for a council property and how applicants will be prioritised.
4. Developing a housing register to manage the list of people who apply for housing in a clear and transparent way and giving applicants more choice over where they live by introducing Choice Based Lettings.
5. Providing clear guidance to developers and registered providers on the levels of rent the Council supports in order to ensure that homes are truly affordable for local people.
6. Promoting support for first time buyers, key workers and rent to buy to maximise the options available to local residents to access housing
7. Ensuring that new developments meet the Nationally Described Space Standard and provide appropriate housing for disabled people, including requiring developers to build 10% of affordable housing to wheelchair accessible standards, enabling people to live safely and independently for as long as possible.
8. Encouraging all providers to build homes to lifetime standards, and build all new council homes to lifetime standards.

9. Promoting and sustaining independent living by working with partners to plan for the provision of specialist and supported housing and housing related support for a variety of client groups, such as older people, people with physical and mental health problems¹⁰ and those with learning disabilities. This will help us to keep people within the borough rather than placing people out of the area. Where purpose built accommodation is required, we will work with commissioners and developers to secure appropriate accommodation on new developments.
10. Giving a firm commitment to meet the housing needs of our ex-looked after children, to ensure that they are protected from harm and have a stable environment to take up educational, work and other opportunities.
11. Providing at least 1,000 units of student accommodation on site for MK University over each of the three phases of development (anticipating 5,000 students per phase).
12. Working with parish, town and community councils and housing providers to ensure that local lettings plans are only used in exceptional circumstances to meet specific evidence based local circumstances.

DRAFT

¹⁰ See the Strategic Housing Market Assessment 2017 for more details

Priority Four: Ensure high quality homes and landlord services

The Council is committed to ensuring that existing homes in the social and private sectors are of high quality. The Council is also committed to offering a high quality landlord service, ensuring that tenants are at the heart of everything we do. We aim to:

- Improve management and conditions in the private sector, including Registered Social Landlords
- Manage and maintain our own stock to the highest standards
- Monitor and improve the satisfaction of council tenants with their homes and the services they receive

We will do this by:

1. Identifying and prioritising action required in the private sector for the properties and areas in the worst condition, working with and supporting landlords, tenants and homeowners to improve conditions with advice and flexible home loans
2. Offering our services as managing agent to other landlords in Milton Keynes
3. Being clear about how we use our income to invest in homes and provide services as set out in the Housing Revenue Account (HRA) Business Plan
4. Ensuring we maintain our stock to the highest standards by working with tenants to establish a decent homes standard including energy efficiency, for Milton Keynes, being clear about how we can achieve this and fund the existing backlog of repairs through the introduction of an annual capital investment programme linked to the standard
5. Having a clear Rent Policy that sets out the Council's approach to setting rents in preparation for the end of the Government imposed annual 1% rent reduction and the move to localised rent setting from April 2020
6. Being more community focused and responsive to local needs by developing and implementing a customer focussed, neighbourhood based approach to tenancy and estate management, underpinned by the development of local neighbourhood agreements that provide a guarantee of the service levels that tenants can expect
7. Putting our tenants at the heart of everything we do by working with them to develop a new engagement framework that sets out how they can be involved and engaged in the design, delivery, review and scrutiny of the Council's housing service.
8. Being transparent about levels of customer satisfaction by carrying out and publishing an annual satisfaction survey of tenants and residents and publishing an annual report to tenants.
9. Regenerating our priority estates by working with residents to develop and deliver solutions that meet local needs and priorities, generate new investment, create mixed communities and provide homes that are truly affordable. This will be informed by a review of our regeneration strategy in 2019.

Delivery and Monitoring

The Housing Strategy sets out an ambitious set of priorities and plans for the next five years. These can only be achieved through the collective commitment of the Council and all of its key partners and stakeholders who are involved in building and managing homes, and supporting the people who live in them.

It is important that progress is monitored robustly and transparently, and that barriers to delivery are challenged at the most appropriate level.

We will therefore:

- Develop a delivery plan in partnership with relevant stakeholders to set out in more detail, the actions we will take to achieve our strategic priorities. This will be prepared in time for the first progress report to Cabinet, and will dovetail with the Housing Delivery Action Plan.
- Report progress against the strategic priorities to Cabinet annually and carry out an annual review with stakeholders.
- Publish details of our progress against the strategic priorities on the Council's website.

DRAFT

Contact details:
housing.strategy@milton-keynes.gov.uk