

Draft Isle of Wight Housing Strategy  
2020 – 2025

Isle of opportunities *delivering regeneration*

# Foreword

**By Cabinet Member for Planning and Housing,  
Councillor Barry Abraham**

I am pleased to introduce the new Housing Strategy for the Isle of Wight.

We have ambitious plans to meet the housing needs of Island people as part of delivering our broader vision for the Island to be an inspiring place to grow up, live, work and visit.



Our vision for housing is

***To enable everyone living on the Island  
to have a place they call home***

The Isle of Wight, a UNESCO Biosphere and Area of Outstanding Natural Beauty, is one of the most beautiful and attractive places to live and visit in England. The Island currently faces a unique opportunity to address its housing needs for the future. We will deliver a sustainable and ambitious housing strategy that reflects our Island status and the needs of local people and businesses and allows our unique local heritage of landscapes and communities to thrive.

Our ambition is to balance the housing supply with our housing needs. We all need a home that is affordable, of good quality, and appropriate to our needs.

Pressure on housing is rising, and some evidence of this is the rise in homelessness. We are seeking better solutions to prevent homelessness occurring in the first place and are nonetheless committed to ensuring that help is in place if the worst happens.

Whilst most of us on the Island are well-housed, that may change if we do not act. The house you are living in may suit you now, but what will happen as you get older, or your family circumstances change? Increasing housing choice is essential for us all to achieve maximum independence and to have better life chances. It will also keep young people from needing to leave the Island to gain affordable housing.

Our economy will be benefit from the additional housing demand and activity generated by tackling these issues. We know there is a particular need to recruit and retain skilled people to work in essential public services and local industries for the

longer-term economic sustainability of the Island, and a lack of suitable housing is identified as a barrier to this.

This Housing Strategy commits the Isle of Wight Council to promoting the development of new homes as part of our wider Regeneration Strategy. Our success depends on our partners and others, including statutory funding agencies, housing associations, the voluntary sector, private developers and residents. The new homes required will mainly be built by others, but the council is prepared to intervene in the market if necessary, for example by the delivery of affordable homes.

The council will continue to work hard with its many partners to deliver all the action points within our new Housing Strategy and I very much look forward to seeing them delivered over the coming months and years.

**Barry Abraham**

#### Giving feedback

We welcome feedback on any aspect of the draft strategy – including not only the content as it stands but also things that you think should be included.

There are also some particular questions we want to hear your views on – these are highlighted in the strategy.

Please send all feedback to [regeneration@iow.gov.uk](mailto:regeneration@iow.gov.uk).

# Executive Summary

1. This new Housing Strategy is an important strategic building block of all our futures and reflects the council's key policy documents including our Corporate Plan and Regeneration Strategy which focus on economic growth and area regeneration, bringing new prosperity and better jobs to the Island.
2. The Strategy also helps shape and inform our draft Island Planning Strategy which is going through the formal stages to adoption and begins to offer the delivery solutions for the newly adopted Rough Sleeping and Homelessness Strategy. It also sits alongside the Island Independent Living Strategy and is relevant to other strategies for children and young people.
3. The strategy focuses on providing the housing to meet the needs of our current population of around 140,000 and those that are projected to come over the next 5 years.
4. The Isle of Wight is a unique place to live and benefits from some of the most protected and beautiful landscapes and habitats within the United Kingdom. As well as having Area of Outstanding Natural Beauty (AONB) status since 1963, in June 2019 the Island became UNESCO's latest Biosphere Reserve which further recognises the unique characteristics of our natural landscape and the way in which human interaction with these characteristics is managed. It is these incredible environmental advantages that encourages businesses to locate here and provide a great lifestyle for employees.
5. The environment is also what often attracts new residents and why so many Island residents want to stay and therefore need homes. Retirees in particular are attracted to find a home here. We recognise that new housing development can be perceived as a threat to the environment. But this need not be the case. The council is keen to ensure land use is kept to a minimum and where possible, mitigation and enhancements add to the landscape and ecology rather than subtract from it.
6. The Isle of Wight Council's Housing Needs Assessment (2018) which has been calculated using the Government's standard methodology to identify the need for the Island to provide 675 new homes each year for the next 20 years. This analysis is based on projected population changes and other local socio-economic factors. This number is under review as the Isle of Wight has not achieved housing delivery on this scale for over a decade. The economics of house building on the Island has impacted this further with the main housing market failure being in the delivery of "affordable housing" of any type.

7. It is important to understand that even if the requirement to build the target number of homes over the next 20 years is achieved, it is estimated that it would add just under 1% to the current built environment on the Island. This would take that total built environment up to 11.5%.
8. Considering that half of the Island is a designated AONB and our intention is to build on or around existing sites wherever possible, we believe it is completely possible to conserve and enhance the unique environment and landscape of the Island whilst developing the homes Island families need. Furthermore, to sustain our communities now and in the future, we will promote where possible housing design that takes account of our geography, natural environment, and ecology. This includes the use of modern building methods such as modular methods of construction to produce zero-carbon homes.
9. We have identified through the draft Island Planning Strategy work that we need to generate opportunities to meet the lifetime housing needs and social mobility for Island residents to move across and within the local jobs market. Our existing homes need to be improved to adapt to changing household circumstances, including for our ageing population and those with greater health needs, whilst providing enough homes to offer our young people to help sustain our Island communities for the future.
10. Getting the right balance right of social, economic and environmental factors alongside meeting housing needs to support the housing number will also be a key challenge to adopting the draft Island Planning Strategy. This means developing a clear vision of what our homes and neighbourhoods will look like in the longer term including achieving the right balance of homes to rent and buy.
11. We recognise that housing supply and housing affordability are the primary issues that we need to address on the Island throughout the lifetime of this strategy. These are particularly challenging issues for older, vulnerable, low income, and homeless households. Our key objective remains delivering high quality homes that are genuinely “affordable” for Island people across all tenures to increase their housing options and choice in the market.
12. We understand the devastating impact homelessness can have on families and our communities and remain ambitious to ensure that families and single people experiencing homelessness can access long-term secure homes with appropriate support services.
13. We have also produced a new Homelessness and Rough Sleepers Strategy 2019-24 in parallel with this strategy to specifically interlink longer term property solutions and our homeless prevention measures going forward. The

Rough Sleeping and Homeless Strategy was formally adopted by the council in November 2019.

14. Throughout the life of this strategy we will continue doing more to meet the needs of people in our communities who have specific housing needs, such as older people needing extra-care housing or care leavers requiring accommodation. With our partners we will be enabling the building of new extra-care schemes and bespoke supported accommodation as necessary. We aim to help the majority of people stay in and improve their own homes and living conditions wherever possible through providing help through Disabled Facilities Grants and wider “affordable warmth” schemes.
15. There are four overarching themes of People, Properties, Place and Partnerships that really come to the fore throughout this Strategy which give focus to our six strategic priorities:
  - **Strategic Priority 1: New housing supply** – Ensuring the right supply and mix of new homes and increasing affordable housing through the efficient use of land and capital resources including those the council owns or has control of.
  - **Strategic Priority 2: Housing affordability** – Defining “affordability” on the Island through detailed research of both incomes and housing costs to inform both planning and housing policy going forward.
  - **Strategic Priority 3: Private sector housing** – Ensuring that the private housing sector provides enough good quality market housing through support for landlords and, where necessary, robust quality control and regulation.
  - **Strategic Priority 4: Homelessness and housing need** – Reducing homelessness and rough sleeping through effective prevention work and build a new homeless pathway through expanding our accommodation options and linked support services.
  - **Strategic Priority 5: Special housing needs and vulnerable people** – Ensuring that specialist accommodation is available for vulnerable people including primarily extra-care housing for older people, and those with special housing needs including young people and people with disabilities.
  - **Strategic Priority 6: Partnerships** – Enabling Housing associations and our other partners to build more new “affordable” homes for Island residents whilst maintaining their current homes to a high standard.

16. We are committed to:

- Setting out clear and strong planning requirements in our emerging Island Planning Strategy that appropriately balance social, economic and environmental considerations.
- Continuing to champion sustainable development: sustainable in location, carbon footprint, building materials and sensitivity to the local environment
- Seeking high quality design from any new developments
- Helping residents understand why new development is key to ensuring the island's future sustainability
- Continuing to support the retrofitting of existing stock to improve energy efficiency (subject to funding)

17. The council will seek to intervene where the housing market fails to ensure that our most vulnerable residents have access to good quality housing at a cost they can afford. The reality is that 25% of Island households struggle to accommodate themselves in the Island's housing market even at 80% of subsidised market rent levels which is the government's definition of "affordable housing".

18. We have developed a sophisticated tool for identifying local definitions of "affordable housing" down to post code level and as a result we understand our households with the lowest incomes would struggle to afford 50-60% not 80%, of market rents and prices.

19. To realise these objectives, the council has committed to working alongside those currently providing "affordable" and extra-care housing for Islanders to enable and support greater delivery of locally affordable housing for Island families and supported accommodation of all types for our vulnerable residents.

20. This Strategy has been co-produced and widely consulted upon with all housing stakeholders and interested parties over the last 12 months and is now subject to wider public consultation.

21. The agreed action plan to deliver our shared priorities is attached at Appendix 3 to this document.

## Giving feedback

We welcome feedback on any aspect of the draft strategy – including not only the content as it stands but also things that you think should be included.

There are also some particular questions we want to hear your views on – these are highlighted in the strategy.

Please send all feedback to *regeneration@iow.gov.uk*.

DRAFT



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# Introduction

In December 2016, the Isle of Wight Council embarked on a new approach to regeneration and at the heart of this is creating places where people want to grow up, live, work and visit. Our Regeneration Strategy Inspiration Island sets out our regeneration and housing projects as part of a wider place-making agenda.

## **Our place-making objectives are:**

- Ensuring new homes are developed in such a way as to foster and create new cohesive communities integrated with existing communities
- Protecting the unique environment in which our homes are situated
- Helping residents understand why new development is key to ensuring the Island's future sustainability
- Ensuring existing communities function well and homes are well managed and maintained

Question 1: Do you agree with the place-making objectives we have adopted? Which of the four do you think is the most important? If you could, how would you change the objectives?

1. The Housing Strategy is set in this context and is an important element of the council's plans to create inspiring places to grow up, live, work and visit on the Island. It covers the next five years, but also looks to the longer term. So that in 20 years' time we have sustainable communities that can provide the range of housing and support services that match the ambition and needs of all our residents.
2. The council is developing an evidence base regarding the identified number and better identify the opportunities and challenges of accelerating housing growth at this scale. This includes separation from the UK mainland and the associated cost and other factors driving the local housing market. We have not looked at future scenarios regarding the UK leaving the European Union due to the uncertainty of impacts on the local housing market. These will be considered in the first annual review of this Strategy later in 2020, when the potential impacts should be more apparent.

## Housing delivery on the island

3. Whatever the number is of new homes agreed through the adoption of the Island Planning Strategy, we already have an overwhelming need and clear strategic mandate to:
  - Significantly increase the rate of housing delivery to ensure delivery is in line with the requirements set out in the current and, when adopted, the “new” Island Planning Strategy
  - Ensure that the right number of new homes are “affordable” to those on lower incomes and who need support accessing the housing market
  - Use public and private assets effectively to help increase the supply of new homes, and particularly “affordable” homes as locally defined in the right locations
  - Define “housing affordability” specifically on the Isle of Wight to help inform and address the local housing needs of Islanders
  - Use existing private sector housing stock to its best capacity - ensuring homes are decent and adequate for the occupants, or potential occupants
  - Reduce homelessness in all forms and provide the right support to ensure people can access and sustain a home they can call their own
  - Provide housing choices for those whose life circumstances are changing and whose current housing is no longer suitable, including extra-care housing and supported specialist housing.
  - Create places people want to live by championing high quality design and build.
  - Ensure that supporting infrastructure is developed alongside growing communities.
4. Our aim is to ensure that all new homes and extensions to communities will be in sustainable locations, close to amenities and public transport. Careful consideration will be given to the impact on the surrounding infrastructure. The planning process is being strengthened to support these aims. However, we also recognise that in the more rural locations, infrastructure may not be robust enough for larger scale developments. However, the need for small scale housing development such as in-fill sites and rural exception schemes is evidenced and could more easily be accommodated.
5. The natural environment is a large part of what makes the Island so attractive as a place to live. Development can be perceived as posing a risk to green space, protected landscapes and biodiversity. Conversely, the coastlines and natural beauty of the Island make for a highly attractive lifestyle destination that can add value to housing developments and local areas.

6. Future developments will address their local environment and add community and ecological benefits wherever possible to increase site and community values and wider public acceptance. The Island has a new Environmental Action Plan which sets out our ambitions in terms of a greener and more sustainable Island.
7. Development of any type in areas perceived to be sensitive for wildlife, landscape or cultural reasons has been subject to public resistance and political turbulence at local and national levels. This can be a limiting factor for attracting larger developers to invest in the Island. However, opportunities exist for the right developers to enhance and complement the Island's unique environment whilst driving economic growth.
8. The council will be championing good design and encouraging new development to have a local identity as we understand that this is key to gaining community support for new developments. Currently, the issue of build quality also often features negatively on the Island, and residents are generally more supportive of new development if it is of high-quality design, low density, and high build quality that integrates well into the surrounding area.
9. The planning process is designed to ensure that new developments mitigate their impacts and by doing so could deliver new facilities or contribute towards appropriate infrastructure. However, it is not possible to require new development to pay for fixing existing problems that they have not made. Changes to the way the council can use developer contributions will help, but the council will continue to explore funding opportunities with the government agencies responsible for wider infrastructure, greenspace and healthcare delivery such as Highways England, NHS England, Natural England, and the Environment Agency.
10. The aim is to ensure our whole infrastructure can accommodate the impact of more people working and living in our areas over time. It is also important that new development adequately provides for the impact on local and surrounding amenities, green space and infrastructure. The emerging Island Planning Strategy highlights the scale of infrastructure challenges and understanding and addressing the viability challenges this is likely to present will be an area of focus for the new Housing Partnership Board.
11. Working together to identify those funding gaps will support a new Infrastructure Delivery Plan and our approach to government to help unlock the larger scale infrastructure funding that will be required.

Question 2: Do you support the approach of developing infrastructure alongside growing communities? Can you suggest any other ways in which infrastructure needs could be addressed when new development occurs?

## Getting the message across

12. We understand that existing communities on the Isle of Wight don't always see the need for more or different housing. There is often initial resistance to housing development, but where local benefits are clear, this can be reduced. Without support from local communities the ambitions set out in this Strategy risk not be delivered or fully realised.
13. Our consultation process has identified that when commenting on proposals for new homes, regardless of the merits of the application itself many Island communities' express concerns about the loss of medical facilities, lack of school places, and further highway congestion. This sits alongside concerns about insufficient public and community services to support new homes. This underlines the need to communicate the message that new homes, and the people who will live in them, can actually drive the enhancement of community infrastructure and services over time.
14. We have observed through our public consultations that a substantial proportion of people who most strongly express their resistance to development are older people, many of whom have moved or retired here from the mainland even if it was many years ago.
15. Conversely, we mainly need to build ordinary homes for the younger generations of Islanders who wish to remain or return to the Island to make a living and raise a family. Their voices are less often heard at public meetings, but through social media and other communications media, if at all. "Affordable housing" is the key to helping them stay or move back to the Island.
16. This housing-led regeneration will in turn help ensure the long-term viability of the Island economy and services, and we must stay robust in our commitment to deliver "affordable" homes for those Islanders who need them to sustain all our futures.
17. To ensure all new homes foster a sense of place, we will:
  - Consult widely on the locations for new housing development through the new Island Planning Strategy and offer certainty for the development community through allocations of sites for residential development.
  - Support a robust approach to implementing planning policy in new developments and ensure new developments mitigate for the impact they may have at local level.
  - Support opportunities to use development to conserve and enhance local landscape, biodiversity and access to greenspace.
  - Champion high quality design and build, embracing new methods of construction and supporting the development of local development skills.

- Have a coordinated approach to enabling infrastructure development to enable new homes to be built minimising local impact.
- In partnership with town and parish councils we will identify rural exception sites to meet rural need where sites might otherwise not be forthcoming.
- Encourage the development community to engage with local people early in the process to ensure concerns and issues are picked up and dealt with.

Question 3: Why do you think there are often in-principle objections to residential planning applications? How could developers behave differently to meet the expectations and gain the support of local people?

### Existing Communities and homes

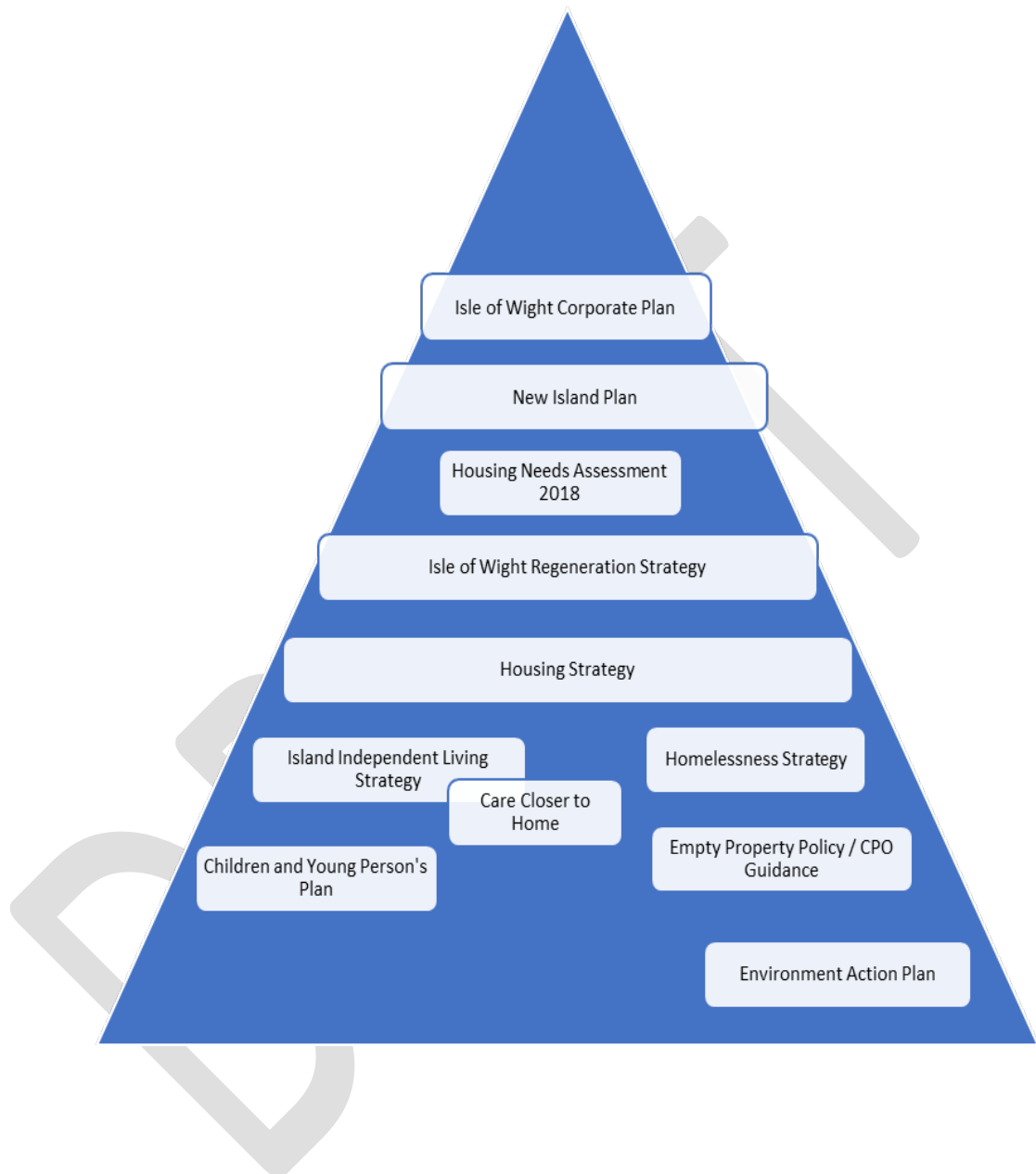
18. There is growing evidence that the way homes are owned and managed has implications for the wider communities. Mis-managed private rented accommodation, empty properties and a myriad of other issues can and do cause local challenges across parts of the Island. As a local authority, we have powers that enable us to deal with a number of these issues and this strategy signals the need to keep up our existing interventions to maintain the high standards we have already achieved in local housing management issues. This approach will be supported our new Empty Property Strategy.
19. We also recognise the key role our social housing provider partners play in delivering and managing good quality affordable rented accommodation and housing estates. The council will continue to engage with all our social housing partners to not only identify where new affordable homes might be built, but also to understand where there may be opportunities to change or adapt the stock currently being managed more strategically through a better joined-up approach.
20. The central message of this strategy is that we are committed to working with partners who have the passion and drive to support the delivery of new homes, particularly those homes that are “affordable” to our more vulnerable residents whilst improving the overall quality of the Island’s existing housing stock.
21. We are equally committed to working within our wider partnerships to ensure that all residents have access to the right support services, when needed, to enable fulfilling independent lives.
22. This strategy has been produced with support from stakeholders across the Island including social housing providers and housing developers who are represented at the Housing Partnership Board. This board will govern the delivery of the strategy combined with the council’s democratic process including annual reports to its Cabinet.

23. It sets a new course for housing on the Island and its one that the council cannot deliver alone. The council shares many housing challenges with partners across the public, private, voluntary and third sector. We accept that addressing housing need in all its forms is highly challenging and remains a shared responsibility that we face together.
24. We need to plan ahead for the future of communities. Driverless cars, an increase in working from home, a return to intergenerational living and the loss of retail in our high streets will all have an impact on the kinds of homes and communities' people will want to live in in the future. Working with partners to identify good practice in new housing development from across the UK and the rest of the world could offer exciting new solutions to housing for the Island of the future.

## Context

25. It is important to understand that this strategy does not sit in isolation nor does it reflect every detail of both the national and local context for housing or every view. All these have been taken account of as far as possible.
26. The Housing Strategy itself sits inside and is connected to all the major strategies and plans of the council as illustrated in Diagram 1.
27. Appendix 1 sets out both the national and local challenges. Throughout the next chapters reference will also be made to a range of documents that link in and provide more detailed information on a range of housing aspects.

Diagram 1: The Housing Strategy in Context.





# Strategic Priority 1: New housing supply

**Ensuring the right supply and mix of new homes and increasing affordable housing through the efficient use of land and capital resources to enable everyone living on the Island to have a place they call home.**

This chapter describes the overall position on housing and housing need on the Isle of Wight and sets out the current the current information on the need for new homes. It also outlines the proactive role the council itself intends to play itself to ensure the delivery of new homes for Island residents.

28. The Island has high levels of home ownership with 70% of homes being owned compared to 68% in the South East and 63% in England. By comparison the Island has relatively low levels of socially rented properties (10.7%) compared to the South East (13.7%) and England (17.7%). The Private Rented Sector (PRS) offer is variable and not always easy to identify, though it is generally considered to comprise around 19% of all properties.
29. These proportions have remained largely static over the past 15 years, which suggests that to significantly influence this, positive intervention is required. The Island also has a high level of second home ownership (1 in 6 homes) which has the effect of inflating prices and adding to the “affordability” issue as well as limiting the availability of housing stock in certain areas.
30. We understand that increasing our housing supply and improving the quality of our housing offer is also a major factor influencing our success or failure in delivering our Island Housing Vision of ensuring everyone has a safe and secure home. The council through its various powers, policies and resources has therefore committed to intervene to address the failure in the Island’s housing market to deliver new “affordable” homes for Island people.
31. In setting out our Strategy on the supply of new homes we have a number of Objectives;
  - To meet the new build requirements established through the Island Plan Strategy.
  - To provide affordable homes of all types for the range of income groups on the Island that need it.
  - To provide homes that will support economic growth and enable residents to build their lives and careers by staying on the Island.
  - To support the local housing market in providing a balance of new housing to rent and own to cater for the requirements of all income groups to drive economic growth.

- To provide new homes for special needs groups and vulnerable people within the community including for young people, the homeless, and older people.
- To ensure that new homes are of high quality and use modern methods of construction towards reducing carbon emissions and protecting the environment.
- To ensure that new homes are of high quality and contribute to the quality of life on the Island.

32. Since the adoption of the council’s Island Plan Core Strategy in 2012 there appears to have been a ceiling on house building or market saturation of around 400 new homes being built each year. This has been against the previous annual target of 520 new homes to be delivered through the planning system.

*Table 1: Housing Completions since the adoption of the Island Plan Core Strategy*

<b>Year 20 -</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>
Market	222	268	298	246	382	287	342	350
Affordable	196	141	112	150	35	34	18	0
Total	418	409	410	396	417	321	360	350

33. It is clear that there has been a very significant reduction in the number of “affordable homes” being built year on year since 2012, resulting in the failure of the Island’s housing market to deliver enough homes. Most of this shortfall has been in the delivery of affordable housing which has affected the ability of the more vulnerable Island residents to access an appropriate home or specialist accommodation as needed.

34. Using the Government’s standard method of calculating housing need identifies an annual housing target of 675 dwellings (at the time of publication). To achieve this, the Island would have to increase housebuilding by 60% each year from its current level. This “target” obviously presents huge challenges to the Island, its workforce, infrastructure and land supply. The council is currently reviewing the evidence base on housing delivery to understand whether achieving this level of house building is realistic and sustainable and to identify if the 5-year land supply is available for the level of development required.

35. We have commissioned the University of Portsmouth to examine the unique demographic and economic drivers impacting housing delivery on the Island. This is to specifically look at the impacts of separation from the UK mainland whilst being considered as part of the wider “overheated” South East housing market by government agencies. The provisional findings suggest that there is no single factor, it is the combined factors including tight profit margins for larger developers and lack of larger strategic sites, higher relative costs of land, building, and relatively low sales values. Whilst Island based

housebuilders are able to generate profits, they tend to survive on smaller developments that fit with the ecological, geographical and political features of the Island which produces few if any new “affordable” Island homes each year.

36. However, the overall result is a “market failure” in delivering sufficient numbers of new homes to not only satisfy government targets, but perhaps more critically few if any “affordable homes” each year. The exception being Housing associations, who continue to deliver the majority of new “affordable” housing on the Island and this is likely to remain the case. It is nonetheless evident that a step change is required to drive up housing development per se through all our partners and the council itself to make the difference required to begin closing the gap on housing delivery.
37. We have recently commissioned several related studies to help inform the evidence base for our actual housing delivery capacity on the Island for the “Housing Delivery Test”. Whilst this debate is about the total “number” of houses built each year, there are currently around 2564 households currently on the council’s Housing Register as at January 2020 either requiring or requesting an “affordable” quality home to live in. This figure is often disputed as it is a choice based letting system which has recently undergone a strategic review and data-cleansing exercise which should see the number reduce to around 1800 in the top categories of need.
38. The debate is really about the degree of housing need these Island households may be experiencing, which ranges from the 300 or so households in urgent or acute need of suitable housing related to ill health, disability or those living in temporary accommodation, overcrowded families and to those struggling to pay their rent with the threat of eviction and homelessness hanging over them. Essentially it is about households struggling to accommodate themselves in the housing market and needing an affordable home for their longer-term stability and wellbeing.
39. The stark reality is that on the Island is not enough “affordable” homes to meet even most acute needs of its most vulnerable or disabled local residents by both the private sector and publicly funded builders. There appears to be very limited opportunities to deliver for the 1800 or so households who are struggling to various degrees to fend off evictions or pay their mortgages and prevent poor health and low education outcomes for their children, and the long-term wider community issues this brings.
40. We want to ensure that everyone can live the lives they want to lead in a safe and independent manner and where they have the tools and skills to take responsibility for their own quality of life.

It is clear then, that there is a much greater need for “affordable” housing than is being met by the Island’s current housing delivery systems.

Question 4: Do you agree that there is any kind of housing shortage on the Isle of Wight? Why do you think so? If so, what kind of housing do you believe needs to be built?

### Providing new homes each year

41. Until now, the council has not been a supplier of new homes although we have a key enabling and facilitating role to play through the planning process. Indeed, the government sees reform of the Planning system as the solution to delivering more new homes each year. However, the picture on the Island, as elsewhere, is more complex. At present, the Island depends on private and mostly local developers and Housing associations to deliver the housing that is needed. In the last 10 years, new housing development has fallen at least 125 units per year short of what is planned for.
42. Most of this shortfall has been in the delivery of “affordable” rented housing which has affected the ability of around 25 per cent or around 15,000 existing Island households being able to adequately accommodate themselves in the housing market or being subject to “housing stress” Moreover, the impacts are greater for our most vulnerable households including those which are homeless, in temporary accommodation or those experiencing overcrowding or facing eviction or repossession of their homes.
43. As well as reviewing its planning policies, the Isle of Wight Council in November 2018 made the decision to intervene in the housing market to ensure there is an increase in the delivery of new and, in particular, affordable housing. This Strategy highlights the challenges in delivering a sufficient supply of affordable housing and promotes a more active role in the direct delivery of “affordable” housing for the council, initially across its own selected sites, through the use of Special Purpose vehicles (SPVs) where appropriate, and through its own wholly owned Local Housing Company. This will rely on either purchase or build, and the appointment of an equitable housing management provider to initially manage the units for us. These vehicles and services are currently being mobilised at the time of writing.

Question 5: Do you support the council’s decision actively provide more affordable housing, as opposed to leaving this to private landlords and housing associations? What other ways could this be achieved and why?

### New communities and new homes

44. We understand that delivering the right homes in the right places for the right reasons is often much harder in reality to achieve than say in the strategy. Ideally, all new homes and extensions to communities will be in sustainable

locations, close to amenities and public transport, and careful consideration will be given to the impact on the surrounding infrastructure. The planning process is in place to support these ideals and this strategy supports this approach, however, we also recognise that there may be difficult decisions to be made, and in the more rural locations, infrastructure may not be robust. The need for small scale housing development is evidenced. A balance of priorities will need to be found in these locations.

45. Growing with the geography should be a key consideration for all new developments. We understand that part of what makes the Island so attractive as a place to live is the natural environment and any development is often seen to be destroying this. Future developments will of course be managed through the planning system to address the environment in which they are located, and the council will be promoting this heritage to developers to increase site value, rather than seeing the natural environment as a problem to be overcome. The Island has a new Environmental Action Plan which sets out our ambitions in terms of a greener and more sustainable Island.
46. The issue of build quality often features negatively on the Island. Residents are more supportive of new development if it is of high design and build quality and integrates well into the surrounding area. Championing good design and encouraging new development to have a local identity will be key to gaining support for new development and will be key in future approvals of planning applications.
47. It is also important that new development adequately provides for the impact on local and surrounding amenities and infrastructure. The emerging Island Planning Strategy highlights the scale of infrastructure challenges and understanding and addressing the viability challenges this is likely to present will be an area of focus for the new Housing Partnership Board. Working together to identify those funding gaps will support an approach to Government to help unlock funding for infrastructure funding of new or improved roads, schools, buildings for GPs and wider health services.
48. It will also be key to keep an eye to the future of communities. Driverless cars, an increase in working from home, a return to intergenerational living and the loss of retail in our high streets will all have an impact on the kinds of homes and communities' people will want to live in in the future. Working with partners to identify good practice in new housing development from across the UK and the rest of the world could offer exciting new solutions to housing for the Island of the future.
49. In December 2016, the Isle of Wight Council embarked on a new approach to regeneration and at the heart of this is creating places where people want to grow up, live, work and visit. Housing and new housing delivery is a key part

of the regeneration programme and place-making will continue to feature highly.

50. The key areas of focus for place making in relation to the housing delivery areas of focus are:

- Helping residents understand why new development is key to ensuring the island's future sustainability
- Ensuring new homes are developed in such a way as to foster and create new cohesive communities integrated with existing communities
- Ensuring existing communities' function well and homes are well managed and maintained
- Protecting the unique environment in which our homes are situated

#### Existing communities and existing homes

51. We also recognise the key role our social housing provider partners play in delivering and managing good quality affordable rented accommodation across our communities. The council will continue to engage with our social housing provider partners to not only identify where new "affordable" homes might be built but also to understand where there may be opportunities to change or adapt the stock currently being managed so that more people share the benefits of new development.

52. The council and the local development community have agreed to a communications campaign aimed at helping Island residents understand the need for housing and the key role new housing can play in providing jobs, supporting new infrastructure and providing footfall to keep local shops and high streets alive.

53. The 'Building Together' campaign will aim to ensure:

- A wider appreciation of the benefits of new residential housing development on the Island
- To have fewer 'in principle' objections to planning applications for residential housing
- Positive engagement with local elected members for planning proposals involving housing
- Developers and investors feel positively about commencing housing projects on the Isle of Wight

54. In order to achieve this, we will:

- Showcase stories of Islanders and their housing journey

- Support developers to showcase the benefits their developments will bring a number of jobs, apprentices, community contributions and more.
- Champion high quality developments as examples of good practice

55. In order to ensure new homes, foster a sense of place, we will:

- Consult widely on the locations for new housing development through the new Island Planning Strategy and offer certainty for the development community through allocations of sites for residential development
- Support a robust approach to implementing planning policy in new developments and ensure new developments mitigate for the impact they may have at local level
- Champion high quality design and build, embracing new methods of construction and supporting the development of local development skills
- Have a coordinated approach to enabling infrastructure development to enable new homes to be built minimising local impact
- Identify rural exception sites to meet rural need where sites might otherwise not be forthcoming.
- Encourage the development community to engage with local people early in the process to ensure concerns and issues are picked up and addressed prior to schemes being submitted formally for planning permission.
- Use the new partnership arrangements through the Housing Partnership Board to future gaze, share good practice and access appropriate funding streams to help support development.

56. It is therefore clear that a step change is required to drive up housing development.

# Strategic Priority 2: Housing Affordability

**Defining “affordability” on the Island through detailed research of both incomes and housing costs to inform both future planning and housing policies and interventions to *enable everyone living on the Island to have a place they call home.***

This chapter defines what constitutes “affordable” housing on the Isle of Wight and identifies the main groups experiencing “housing stress”. It also outlines the pro-active work the council has recently undertaken to accurately define “affordability” across our geography to inform our future strategic approach to housing delivery.

## What do we mean by “affordability”?

57. There are a number of definitions of affordability and for many years Government has defined it to mean rents or purchase prices that are lower than the open market. This could arguably be up to 99% of the market price, however the Government standard set for the social housing sector, and for Planning policy is 80% of the market rent or price.
58. However, paying rents or mortgages at 80% of the market level is still beyond the means of many residents on the Island. We have undertaken a significant amount of research into this issue and have designed an Isle of Wight “affordability tool” based on local wages and housing costs. We can use this with a high degree of sophistication and accuracy to determine what an “affordable” level may be for individual households in each of our regeneration areas down to a postcode level.
59. We have used the Affordable Housing Commission’s definition of the four different groups struggling to accommodate themselves in the housing market or experiencing “housing stress” in this analysis, namely:
  - Struggling renters
  - Low income older households
  - Struggling Homeowners
  - Frustrated First Time Buyers

## Affordability issues for Island residents

60. The main factor affecting “Frustrated First Time Buyers” and “Struggling Homeowners” is the increasing mismatch between housing supply and demand across all tenures, but especially for “affordable” market housing. House prices have risen steadily on the Island over the past 5 years whilst wages haven’t seen similar increases. The average cost of housing on the



Island is £231,000 with the majority of housing selling for around £200,000<sup>1</sup>. In 2013 the average price of £172,280 (Feb 2013) was 7.5 times the gross annual wage (52 x weekly wage). In 2018 the average price of £210,413 (Feb 2018) was 8.2 times. So, whilst house prices are up to 30% lower on the Island than on the mainland, they remain “unaffordable” to many local working households, younger people, and those of the council’s waiting list.

61. Private sector rentals are also increasingly unaffordable for those on lower incomes including older householders who have bought or rent, and especially for those who rely on Local Housing Allowance (LHA) payments. LHA payments are paid at the lower quartile figure and private landlords are increasingly unlikely to accept households who rely solely on benefits.
62. These factors give rise to the “Struggling Renters” and our fundamental shortage of “affordable housing” and wider housing choice creates the so called “unvirtuous circle” of poor housing, employment prospects, health, mental health, crime and education issues that lead to negative life outcomes for some households and ultimately places a greater burden on public services.
63. Nationally, it is well documented that over 50% of these struggling or just getting by households are accommodated within the private rented sector. In addition, the largest cause of homelessness on the Island is evictions for rent arrears. Rent arrears are also the made reason for evictions from Housing Association properties even at rents 70-80% of market rent. Though it is worth pointing out that there are often other factors related to households getting into arrears in the first place such as poor mental health, family breakdown, welfare reforms and digital exclusion etc.
64. However difficult, it is arguably possible for people receiving benefits to access some Private Rented Sector homes, but these tend to be at the very lowest level of availability and often quality leaving many residents with little or no income to cover other essential living costs and vulnerable to homelessness.
65. In the case of a smaller number of socially rented homes at around 60% of the market rent, the differential between LHA rate and rent is slightly easier to reconcile i.e. traditional council houses transferred to social landlords over 20 years ago with secure rents. However, changes to Government grant funding for new homes over recent years has meant that most homes from social landlords including housing associations are now offered as ‘affordable rent’ (80% of market rent) rather than older ‘social rents’ at around 60% of market rent.

66. This situation has been exacerbated by the Isle of Wight being one of the few areas in the South England that does not qualify for social housing grant from Homes England the government's agency that would allow our housing associations to develop new homes at 60% rent levels. This is counter-intuitive as this has made the few new "affordable" homes being built unaffordable for our lowest income earners, albeit that some local housing associations are pushing rent levels down to around the 70% level to prevent more evictions for rent arrears and increased homelessness amongst Island residents.

### Affordable rent methodology

67. There are several ways to calculate and measure 'affordable' rent levels. Deciding what level of rent is affordable is a complex undertaking as there are many varying factors such as family size, distribution of income across household members, various tax codes and tax credits, as well as variations in the non-housing-based costs of living such as transport.

68. The costs of undertaking this sort of analysis are large and time consuming, and subject to a large degree of variation, so for the purposes of strategic decision making we felt that an affordability calculation looking at in -depth at rent and income levels in each local area was sufficient.

An affordable housing assessment for the Island was undertaken on this basis in October 2019 and live data regarding house prices, rental levels and wage income data at a postcode or ward level was purchased on an on-going basis for the next three-year period.

We have further developed an inter-active mapping tool that effectively allows us to calculate what the affordability level would be for households at various income points at street level and what properties on the Island our current residents could afford to live-in.

### Definition of affordability on the Island

69. In summary, we would suggest that Affordable Rent guidance to supplement planning guidance for developers, housing associations, and the council itself stating that appropriate Island Affordable Rent levels would be as such:

1-bed: 70% market rent or Local Housing Allowance (LHA), whichever is the lowest

2-bed: 70% market rent or LHA, whichever is the lowest

3-bed: Up to 65% for working families or capped at 50% for lowest income

4-bed: 50% market rent (capped rent)

70. The rent levels above would give some comfort that the “at risk” larger low income or benefit dependant families will at least have some housing options that will not see immediate affordability issues. However, our “affordability” tool indicates that some of our lowest income families would struggle to meet 50% of market rent on 3 bed houses and even those on median incomes would find areas such as West Wight unaffordable.
71. As three beds are the threshold point at which Island affordability issues begin in earnest, it could be that a proportion of these could be appropriate at a lower “capped” level for families most in housing need, but with the remainder placed at a slightly higher rental level (up to 65%) for working families where affordability is not as acute an issue. Such a split would be more difficult for four bed homes as the affordability results are that much worse.
72. In terms of the biggest gap in “affordable homes” that are required now and realistically may be developed in the future our research changes the narrative as we need to build more 3 bed family homes that are “affordable” as defined above for Island families.
73. This conclusion refocuses the immediate priority in the 2018 Housing Needs Analysis for “affordable housing” to be in the form of more 1 bed & 2 bed homes generally, but it does not affect the overall conclusions of the need to increase housing supply for all income levels for the reasons previously outlined.

Question 6: Do you agree with this method of calculating affordability? How would you change it if you could?

# Strategic Priority 3: Private Sector Housing

**Ensuring that the private housing sector provides good quality market housing through support, and where necessary, robust quality control and regulation to enable everyone living on the Island to have a place they call home.**

This chapter outlines the private rented sector (PRS) as a housing option for many Islanders and identifies the pro-active work the council has recently undertaken to improve and enforce housing standards through the development of new strategies and ways of working across all sectors of the housing market.

## Private rented sector

74. The PRS sector provides an increasingly important source of housing for the Island, essentially because of the low new build rates for both rent and sale. It currently houses around 19% of all households, and it is therefore essential that effective and consistent regulation of housing standards is applied across the Island, so that tenants and landlords can access advice and intervention when required.
75. An essential part of the housing solution is to ensure best use is made of the existing housing assets. These may be occupied already in the various tenures, but also unoccupied and empty. Various statutory duties fall to the authority in respect of housing standards and licensing of certain properties.
76. The authority wants to support good landlords who provide decent well-maintained homes and avoid unnecessary regulation which increases costs and red tape for landlords and also pushes up rents for tenants. In this we want to provide a light touch approach for such landlords, but a small number of landlords knowingly rent out unsafe and substandard accommodation. We are determined to crack down on these landlords and disrupt their business models to ensure that all residents have a safe and secure home.

## Private rented sector standards

77. Due to the legacy Victorian housing and hotel stock, the Island has a large number of Houses in Multiple Occupation (HMOs), as seen in many British seaside areas. HMOs are inherently more hazardous than single occupied dwellings due to the nature of sharing essential amenities, increased fire risk, and the importance of good management is key.
78. We understand the way homes are owned and managed can have implications for wider communities. In accordance with the Neighbourhood Directorate Enforcement policy 2019, action will be taken against landlords if properties are mis-managed or left empty. We have seen that these issues give rise to a myriad of others including a rise in the number of resident complaints about their landlords and standards to the Housing Renewal team, and unsettled households with little security of tenure.

79. Whilst these issues are not unique to private landlords, as a local authority, we have powers to deal with these issues. In effect, this strategy signals a more planned and robust approach to how we intervene in local housing management issues across sectors where necessary.
80. There is a statutory requirement to licence certain higher risk HMOs, and around 25% of HMO housing stock is currently licenced as per the statutory requirements. There is also a need to ensure the non-licensable HMOs are safe and well managed balanced against the need to ensure that chargeable services including voluntary licencing schemes are proportionate so that high charges are not passed on to residents making this type of accommodation unaffordable to those who need it most.
81. We have recently reviewed our enforcement strategy and adjusted the process to facilitate a light touch approach for good and compliant landlords, whilst seeking to identify and robustly enforce against rogue and non-compliant landlords using all our powers. The next review of the process is due in 2022.

## Empty homes

82. Empty properties are an area where the council has powers to intervene to bring much needed stock back into use to increase the supply of homes for our residents. Empty homes are a wasted resource that could be utilised to alleviate homelessness, address housing needs and either remove or reduce the risk of blight to neighbouring properties. Bringing empty homes back into use is crucial to the long-term prosperity of run-down areas.
83. Nationally, the target is for less than 3.7% of all housing stock to be empty. On the Isle of Wight, we have been very successful in working with owners to bring empty properties back into use and less than 1% of our housing stock is now empty. We are therefore currently exceeding national targets for the percentage of empty homes, but we recognise, that even though there has been some outstanding practice, those living next to or near empty homes will want to see action taken.
84. Our Empty Property Strategy 2019 sets out in detail, the ways in which the council will continue to do this including:
- Target empty properties that have been empty for two years or more and fully utilise the councils' powers to bring those homes back into use.
  - Continue to work with our Registered Provider Partners to identify how current housing might be changed or adapted to make best use of the stock.
  - Work with private landlords to ensure properties are well managed and appropriately licensed where necessary.
  - Continue to be first port of call for unsecured buildings, offering advice, assistance and enforcement powers if necessary.

85. We will utilise the powers available to us and a new focus on bringing empty commercial properties back into use for residential purposes where appropriate.

Question 7: Should the Isle of Wight Council continue to target empty properties despite exceeding the national targets?

### Grants for disabled residents living in the private sector

86. For some of our residents, circumstances may change meaning their home is no longer fit for purpose. Often this is related to a disability and the council operates a disabled facility grant fund. This mandatory function is part of the wider government agenda to assist elderly and disabled people to live satisfactorily within their own homes. Adaptations for people come in many forms, and it is the major adaptations that fall under the council's responsibilities. This is an important area of independence enabling work which helps make best use of someone's current home.

87. The council also manages the repair and well-being grant. This is a discretionary means tested grant for private sector owners and a general option for disabled adaptations assistance for any tenure. Notwithstanding the disabled assistance element, the main reason for grant assistance is to resolve serious hazards that are present, and to make homes decent to live in, assisting greatly in the strategy of improving the Island's housing stock.

88. In order to ensure we are making best use of existing stock, we will:

- Introduce a Civil Penalty policy under the Housing and Planning Act 2016.
- Proactively monitor HMO standards across the Island and licence any that fall under that regime.
- Through research and consultation, we will seek to identify all properties operating as HMOs on the Island.
- Ensure information on our webpages is comprehensive and provides the right advice and guidance to assist landlords, tenants and private owners to understand their rights and responsibilities in terms of home ownership and renting.
- Undertake collaborative working with other regulating bodies (such as Trading Standards or the Fire and Rescue Service) to establish protocols for mutual areas of work, facilitating more efficient and effective processes for the authority as well as landlords/tenants.
- Continue to work with registered providers to ensure "affordable" housing is well managed and maintained
- Continue to manage the grants available to help maintain and adapt homes in such a way as to maximise the funding reach.

We will ensure an appropriate level of resource is provided to the service undertaking these duties.

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# Strategic Priority 4: Homelessness and housing need

**Reducing homelessness and rough sleeping through effective prevention work by expanding our accommodation options and linked support services to enable everyone living on the Island to have a place they call home.**

This chapter outlines the council's commitment to preventing homelessness in all its forms as opposed to simply responding to issues. It should be read alongside our new Homelessness and Rough Sleeping Strategy 2019-2024 which was developed in parallel to this strategy.

## Prevention of homelessness and reducing the dependency on temporary accommodation

89. We aim to intervene early to prevent homelessness wherever possible and are able to provide a flexible, person-centric approach to homelessness. The council also needs to ensure there are adequate emergency facilities for those who find themselves homeless. This will include a new night shelter and wet facility to provide a safe, warm and comfortable environment for those residents who require it.
90. Taking a person-centred approach will be key to ensuring each resident's housing needs are met. While working with a range of partners to ensure that all residents have the support, they need to either access a home or stay in their home, this strategy will focus on the following key areas:
- Prevention of homelessness
  - Reduce dependency on bed and breakfast accommodation and improve the amount and quality of temporary accommodation
  - Support residents with the impact of welfare reform and implications of Universal Credit
  - Support initiatives to address worklessness, improve skills base and maximise employment opportunities
  - Providing better options for housing in later life and adults with learning and physical disabilities
  - Providing specialist accommodation as required to support those whose needs require a more bespoke approach
  - Providing appropriate housing for children and families
91. We understand that preventing homelessness is complex and we will need to work alongside a range of partners across many sectors to achieve the above outcomes.



92. Strategically, reducing homelessness and helping people to establish themselves and maintain a stable home is critical to the Island's future prosperity, both for individuals themselves and the island as a whole.
93. We believe a stable home underpins successful education and employment and the maintenance of good health. Enabling people to have stability to stay in their homes is important to our aim of establishing strong safe and resilient communities on the Isle of Wight.
94. Due to insufficient supply of "affordable" housing, the council's reliance on the use of temporary accommodation and bed and breakfast has increased in recent years. This is not desirable from either a resident's perspective or a financial perspective. Therefore, work needs to be done to improve the amount and quality of temporary accommodation.
95. We recognise the need to support residents with the impact of welfare reform and implications of Universal Credit as well as support initiatives to address worklessness, improve skills base and maximise employment opportunities
96. The council cannot achieve a reduction in homelessness on its own and working with partners will be critical to the success of any plans developed. We will work with a range of agencies to develop pathways that reduce the risk of homelessness, and/or enable people to stay in their homes, for people in a range of vulnerable groups such as:
- Parents living in poverty
  - Those living with physical and mental health needs
  - People leaving care or custody – Pathways to Independence
  - Those at risk of or who are currently rough sleeping
  - Older people
  - Service Veterans
  - Victims of domestic abuse
  - People leaving hospital
97. In early 2019, the Information, Advice and Guidance (IAG) hub opened in County Hall. This new approach offers the opportunity to better bring together a range of voluntary sector partners and the council to work towards achieving an outcome based preventative approach that supports residents to live independently through self-support. The ambition is that with better working partnerships, we can develop digital channels that assist residents to manage their income, tenancies and health and wellbeing needs through IAG. This approach will establish the necessary partnership working arrangements that best service our islands needs through coordinated partnership working.
98. Preventing homelessness is not just about supporting those listed above. It is often about supporting people in the private rented sector and enabling the delivery of new affordable homes. The new Housing Partnership Board will bring together private sector landlords, developers and Registered Providers

to find solutions to housing need and to deliver affordability improvements in terms of the products developed and to seek ways to drive down the cost of development. The council has the ability to use powers to work with private landlords to ensure the conditions of the homes they make available to rent are suitable and landlords support positive tenancies. The council will also, through its own Housing Company, become a landlord of both affordable rented homes and set a standard other can follow.

99. Ensuring the delivery of new affordable homes remains the biggest challenge to ensuring that homelessness can be prevented. Delivering new affordable homes not only offers a place for our more vulnerable residents to call home, but the development process itself, provides a raft of opportunities for Island residents. New developments provide opportunities for apprenticeships and trainees and we will work across all sectors to build in appropriate policies to ensure that these opportunities are maximised. As a Council, we will lead by example and actively promote local employment and training opportunities on council owned development sites.

100. In order to address and reduce homelessness, including supporting individuals to sustain their homes, the council will:

- Identify and deliver suitable buildings for a homeless assessment hub and wet facility where users will have access to a range of support services to meet their needs
- Develop a tenancy academy to ensure that tenants are adequately trained and prepared to sustain their own tenancies.
- Develop specialist pathways into services to minimise the impact and trauma associated with homelessness.
- Improve services to the most vulnerable by addressing the underlying causes of homelessness.
- Use only the most appropriate temporary accommodation to prevent further social and economic deterioration and identify ways in which more suitable temporary accommodation can be developed or accessed
- Develop a suite of products that will encourage property owners and agents to see the council as a partner of choice.
- Deliver a Gold Standard homelessness assessment, information and advice service (National Practitioner Support Service NPSS)

**Question 8: Do you agree with the actions listed to address and reduce homelessness? How would you change or improve them?**

101. In the long-term, reducing homelessness and reliance on temporary accommodation can only be achieved through the development of new homes that people can afford.

# Strategic Priority 5: Special housing needs and vulnerable people

**Ensuring that specialist accommodation is available for vulnerable people including primarily extra-care housing for older people, and those with special housing needs including young people and people with disabilities, to enable everyone living on the Island to have a place they call home.**

Providing better options for housing in later life and adults with learning and physical disabilities

102. In July 2017, the Isle of Wight Council agreed a new Island Independent Living Strategy which details the Island's commitment to changing the nature of housing options for older people and adults with physical and learning disabilities. To date, the choices are residential or nursing homes or stay in your own home with adaptations and care. These are perfectly acceptable options, but can be expensive or unachievable, depending on an individual's housing arrangements. The need to offer a wider range and choice of housing in later life is key to enabling those residents to be able to downsize into more manageable and appropriate properties while also freeing up family housing in the current stock.
103. Island Independent Living (IIL) offer will increasingly offer a new form of accommodation to the Island. Residents will be able to move into their own home (complete with kitchen, bathroom, living areas and own front door) and access onsite care as their needs change over time. A typical Island Independent scheme will have onsite facilities for hot meals and many community facilities to ensure isolation is not a contributing factor to a decline in health.
104. For example, working in partnership with Southern Housing Group, Morgan Ashley and with funding from Funding Affordable Homes, The Kleo Friend Apartments in Ryde will be the Island's first Island Independent Living Scheme. This mixed tenure scheme will open in Spring 2020, offering 75 affordable flats and 27 bungalows for people over 55 or over 45 with learning disabilities. The Island Independent Living Strategy sets out an ambition to deliver 143 units of this kind of housing a year until 2027 and the council will continue to seek ways to deliver this type of housing as well as encouraging others to enter the market.
105. In order to achieve the ambitions, set out in the Island Independent Living Strategy, the council will:
- Continue to work closely with our registered provider partners to bring forward more IIL schemes

- Actively seek land within our ownership to bring forward for new schemes, for example, the former Sandham Middle School site could deliver up to 82 new units of IIL housing
- Ensure our internal systems and processes are adequately set up to capture interest and help ensure the right people access this form of housing
- Invite new providers to take an interest in developing schemes of this nature on the Island
- Have a robust approach to encouraging down-sizing into more manageable housing agreed across all housing providers

Question 9: Is Island Independent Living the right approach for to improve housing options for older people and adults with physical and learning disabilities? What other options could be considered?

Providing specialist accommodation as required to support those whose needs require a more bespoke approach

106. Island Independent Living (IIL) is not going to be the only specialist housing required to ensure the needs of our more vulnerable client groups are met. The Clinical Commissioning Group and the Adult Social Care team are working closely to appropriately commission specialist accommodation. As needs are identified and housing is commissioned, the council's Housing Delivery team will work with relevant providers, including the council itself, housing associations and joint venture housing delivery companies where appropriate, to bring forward appropriate schemes to meet the identified needs.

107. Some of the known requirements include housing suitable for:

- a) Bariatric residents
- b) Respite residential facilities
- c) Step up / step down and rehabilitation units
- d) Housing for adults with a variety of physical or mental challenges

Providing appropriate housing for children and families

108. The links between housing, poverty and material deprivation are increasingly recognised by policy makers. Poor and inadequate housing significantly affects health and well-being whilst insecure housing does not help families gain the stability, they need to safeguard their children and to promote their well-being.

109. Families can become transient when they are fleeing a difficult situation or lose their rented accommodation. Transience can reduce community cohesion and increase social isolation, as well as contributing to poor social

and economic outcomes for individuals and families. Frequent residential and school mobility has a negative effect on early educational attainment, with school moves having the biggest impact.

110. Gypsy and Traveller families are another marginalised group on the Island, and without a secure place to stop have no access to water or sanitation and the overall risk of poverty is much higher because it becomes increasingly difficult to secure adequate education and employment. The Government have made funding available through the Shared Ownership and Affordable Homes Programme 2016-2021 which includes provisions to build Gypsy and Traveller sites, and we need to explore this option further. Families with no place to go face constant evictions which result in severe health inequalities because of missed health appointments, disruption to pre-natal and post-natal care and missed opportunities for wider health screening programmes.
111. It's not just adults with specific housing needs that we, as an Island, need to address. The council has a range of responsibilities in relation to housing for our young residents and in the council's 2018 Ofsted inspection, two specific improvements were highlighted. These were the response to 16- and 17-year-olds who are homeless and ensuring the sufficiency of suitable housing to meet the needs of all care leavers who wish or need to live on the Island.
112. While the strategy will focus on the above challenges, we cannot overlook the role housing plays in supporting productive and happy lives for our young people. The previous section on how the council and its partners will work to address homelessness identifies that reducing the reliance on bed and breakfast, particularly for families with children, will be a key consideration moving forward. As well as this, ensuring there are enough good quality, affordable family homes will be vital to supporting those families that need it to access a home of their own.
113. Under the Children Leaving Care Act 2010, the council must take steps to secure, so far as reasonably practicable, enough accommodation within its area to meet the needs of children that it is looking after and children whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation in the local authority area. This is referred to as 'the sufficiency duty'. The sufficiency duty, therefore, applies in respect of all children who are Children in Care.
114. However, it also applies to Children in Need who are at risk of care or custody (sometimes referred to as children 'on the edge of care'). This acknowledges the importance - both for improving outcomes for children and in having enough accommodation to meet their needs - of taking earlier, preventive action to support children and families so that fewer children become Children in Care. Children's services and housing have developed a joint protocol. The purpose of the protocol is to ensure that children who present to the Local Authority at risk of homelessness or who are homeless have a clear understanding of the roles which each service will play. This in turn will allow them to make informed choices about the services they wish to

receive and to ensure that they are aware of what services are available to meet their needs.

115. By working in partnership, we ensure that 16 and 17-year-old children facing homelessness are supported to remain in their own accommodation if it is safe to do so, or to complete a planned move to suitable and appropriate accommodation. With continued support, children can be assisted to maintain their accommodation and prevent the reoccurrence of homelessness. With stable accommodation and appropriate support comes the ability to access education, employment or training to enable each child to reach their full potential.

116. The Isle of Wight Council's children's social care and housing services are jointly out to tender for a Pathways to Independent Adulthood supported accommodation offer for 16 to 25-year olds. Care leavers have been actively involved in the tendering process for the new supported housing pathway and the local offer for care leavers.

117. Children's Services is an active member of the council's Housing Governance structure and in the same way as Adult Social Care can commission housing according to need, Children's services will also commission the delivery of specialist accommodation as required. This will include thinking through how homes can be developed to encourage the ability of the occupier to be a foster carer and provide safe placement opportunities for children in care.

In order to achieve appropriate housing for our young people, we will:

- Review the Isle of Wight Sufficiency Duty annually.
- Complete the commissioning for Pathways to Independent Adulthood supported accommodation offer for 16 to 25-year olds
- Ensure there is an age and stage approach with a range of providers which matches need to the level of support so vulnerable 16 to 25-year olds including care leavers, build their skills to live independently.
- Commission the delivery of specialist accommodation as required.
- Continue to engage with developers to think through how homes can be developed to encourage the ability of the occupier to be a foster carer and provide safe placement opportunities for children in care.

Question 10: Is our approach to providing housing for children and young people, including fostered children, correct? Should we consider any other elements to this?

## Integrated Commissioning

118. The Isle of Wight service is to provide person-centred and outcome focused housing related support to young people aged 16 to 25 including, looked after children, care leavers and young people under the care of the Youth Offending Team who have an established local connection to the Isle of Wight. The provision will deliver accommodation and support on the Isle of Wight which aims to increase independence skills and promote engagement with education and employment through flexible support packages. The service provided will offer a range of accommodation models in various settings providing accommodation based, personalised and outcome focused support that enables young people to:

- become more independent
- avoid eviction and repeat homelessness
- encourage engagement in employment, education or training
- encourage move on to a less intensive housing related support service or permanent, independent accommodation when appropriate
- improve the joint working of stakeholders in identifying the most appropriate housing responses.

119. Whilst this approach is a significant development, it does not negate the need for accessible and affordable housing for these young adults to move in to which is part of this wider housing strategy.

120. There is no doubt that the council cannot deliver the ambitions set out in this strategy on its own and it will take the whole Island community to support building the homes our towns and villages need. The council recognises its role in leading a new approach to housing delivery, but we need our partners to help make it happen.

121. Throughout this strategy, reference has been made to the key partners who will make this all happen and it is hoped this strategy provides a framework for everyone to be working towards the same outcomes.

# Strategic Priority 6: Partnerships

**Enabling Housing associations and all our development partners to build more new “affordable” homes for Island residents, whilst maintaining their current homes to a high standard as landlords *to enable everyone living on the Island to have a place they call home***

122. In order to achieve what is set out in this strategy a new partnership approach is needed. The council is committed to working across sectors and with a range of partners to drive forward the housing agenda and will invite partners to offer their solutions for new ways of development that could bring sites forward faster. The regeneration programme offers the opportunity entice new partners to establish themselves as players in the housing market on the island by supporting the development of new homes, creating outstanding private rented accommodation or delivering support services to vulnerable residents.
123. It should be recognised that the council can enable, facilitate, support and champion partner developments and we will seek new and innovative ways of supporting our development partners to bring forward sites appropriately. The council will continue to look at ways in which we can utilise our powers such as Compulsory Purchasing, Planning Permissions, S106 contributions, HMO licensing, making best use of public sector assets and more to bring forward development.
124. In recognising the key role housing plays in achieving the council's ambitions, we must also recognise that at present, the total partnership housing offer does not always support this ambition, and the step change in how we develop new housing types remains out of reach.
125. As outlined in the previous sections, the only way to ensure there is adequate provision of the right kind of accommodation is to build more homes and make sure the existing housing stock is well maintained and managed. Homes that match the needs of all Island residents and those who aspire to become Island residents. There are several priority areas this strategy will focus on in setting out how the development of new homes or improvement of existing homes will be met:

## Providing the right number of new homes per year

126. Development in general is still unpopular on the Isle of Wight. This needs to change. The council has committed to engaging in a campaign to highlight the wider benefits of housing development which has the support of all Registered Provider partners as well as the private developers. Engaging local people will be key to bringing forward development and creating a welcoming environment for future developers to invest.
127. By working together to better understand and develop a pipeline of development activity, the island will become more attractive to investors and



give confidence to the building industry to grow local capacity and provide skills, training and work opportunities for local people.

We aim to:

- Contribute to diversifying the housing stock and meeting housing needs by achieving the right tenures, size and mix of housing on new developments
- Maximise the provision of new affordable homes
- Build and acquire housing and maximise opportunities on publicly owned land
- Support the provision of alternative tenure options such as subsidised market homes for sale, self-build and community led housing alongside “affordable” rented homes.

### Maintaining and managing the existing housing stock

128. Whilst the council has no regulatory powers in relation to the local Registered Providers, we will also continue to work closely with them to understand how the current stock is being managed, opportunities for infill or estate regeneration and will seek the highest quality of housing management across all social housing on the Island.

- Improving the quality of the stock already built and where relevant how it is managed
- Bring empty properties back into use for residential purposes where possible

129. Recognising the key role both private developers and our Registered Provider partners play in bringing forward new development, the council is establishing a new relationship with the house building community to ensure we are all doing what we can to enable and facilitate the development of high-quality homes for island residents.

130. The Housing Partnership Board will bring together key players and will be supported by an ongoing series of ‘conversations’ to continue to challenge and discuss the housing agenda; unlocking barriers, forming new partnerships and collectively accessing funding to bring development forward.

131. Given the scale of the housing challenge the council, and the wider development community, will need to rethink traditional ideas about what modern housing looks like. This might involve modern methods of construction, changing space standards and different funding mechanisms. It will likely also include new partnerships, new approaches to financing and inviting new players into the housing market.

132. It simply won’t be enough for the council and the Island’s development community to make this step change alone. There is still huge resistance to new housing on the Island and we will need to work together to help local

communities understand why new housing is needed and the economic benefits housing development can bring (such as S106 contributions and providing a range of local work opportunities in development). There is much work to be done to build trust by delivering high quality housing across a range of accessible tenures.

133. Part of building that trust will be encouraging the diversification of tenures and identifying new products which may be suitable for the Island and supporting the development community to embrace these new options to create more mixed communities and options for movement within the housing stock, alongside giving greater political and economic assurances.

134. In order to drive up the delivery of new housing on the Isle of Wight, the council will work alongside the local development community in achieving delivery rates in line with required housing numbers with a particular focus on ensuring the delivery of new truly affordable housing. This will include developing a locally agreed definition of 'affordable housing'

Promote the construction of new homes by raising the profile of the Island as a place to invest with business, developers, and builders.

Promote the development of additional supply by developing positive policies and practices to support the creation of new forms of housing, including modular build, community land trusts, supported housing and shared housing. This will include looking at a wider range of tenure options for new development

- Become an active developer to help contribute to achieving the right number of homes for local people
- Promote understanding within communities of the need for new housing development and the benefits it can bring
- Establish a Housing Partnership Board, with representation from key sectors, to help drive forward this strategy and in particular drive up the delivery of affordable housing.
- Ensure the planning process is using all available tools, levers and powers to encourage development to be brought forward
- Take a flexible approach to the use of finances and powers to support and unlock developments where necessary
- Collaborate with key stakeholders to overcome barriers such as with planning consents or use of new approaches such as modular housing.
- Establish and ensure our future joint venture partnerships are working well and delivering new homes on key sites
- Create a Local Housing Company to accelerate the delivery of new "affordable" homes of all types.

- Identify one or more strategic housing management partners to manage new homes the council will either acquire or build

In order to do this, the council will:

- Enable the Housing Partnership Board to steer the delivery of this strategy, bringing together partners from a broad range of sectors
- Regularly hold housing discussions with a wide range of partners on a variety of themes connected to achieving the ambitions set out in this strategy
- Create a positive environment for new housing delivery and find new and innovative ways to deliver new homes
- Actively promote the Island as a great place to live and grow businesses
- Celebrate good quality housing developments and promote positive press and media coverage
- Sustain a positive housing campaign to break down resistance to new housing development
- Continually seek out best practice from other local authority areas across the Country and learn from those areas where housing demand is being matched by a step change in the approach to supply.
- Work across all public sector land holders on the island to seek ways to release surplus land and make better use of public assets.

Question 11: Do you support the partnership approach to housing? Are you already involved, or would you consider being involved local partnership work? How would you like to be involved in the future?

## Governance

135. There is little point in developing a strategy and action plans if there is no way of ensuring that actions are being delivered and the outcomes are being achieved. To do this, a new governance structure has been established. The external structure is led by the new Housing Partnership Board which brings together key decision-makers and influencers from across the Island. This will feed into internal Council governance structures where Council-led decisions are required. [Appendix 2](#) sets out the governance structure and shows how the various groups feed into the decision-making process.

## Conclusion

136. This is an ambitious strategy which sets out both the step change required in housing development on the Island and the raft of measures and actions

which need to be put in place to ensure every resident has a safe and appropriate place to call home.

137. The action plan sets out the timetable for delivery for a number of key elements within this strategy and the referenced strategies have their own delivery plans which need to be read in conjunction with this plan. The delivery plan for this strategy will be refreshed annually to ensure this remains a live and current document that can flex to local or national changes. [Appendix 3](#) sets out the action plan which will be regularly updated.

DRAFT

# Summary of questions

## Giving feedback

We welcome feedback on any aspect of the draft strategy – including not only the content as it stands but also things that you think should be included.

There are also some particular questions we want to hear your views on.

Please send all feedback to [regeneration@iow.gov.uk](mailto:regeneration@iow.gov.uk).

**Question 1:** Do you agree with the place-making objectives we have adopted? Which of the four do you think is the most important? If you could, how would you change the objectives?

**Question 2:** Do you support the approach of developing infrastructure alongside growing communities? Can you suggest any other ways in which infrastructure needs could be addressed when new development occurs?

**Question 3:** Why do you think there are often in-principle objections to residential planning applications? How could developers behave differently to meet the expectations and gain the support of local people?

**Question 4:** Do you agree that there is any kind of housing shortage on the Isle of Wight? Why do you think so? If so, what kind of housing do you believe needs to be built?

**Question 5:** Do you support the council's decision actively provide more affordable housing, as opposed to leaving this to private landlords and housing associations? What other ways could this be achieved and why?

**Question 6:** Do you agree with this method of calculating affordability? How would you change it if you could?

**Question 7:** Should the Isle of Wight Council continue to target empty properties despite exceeding the national targets?

**Question 8:** Do you agree with the actions listed to address and reduce homelessness? How would you change or improve them?

**Question 9:** Is Island Independent Living the right approach for to improve housing options for older people and adults with physical and learning disabilities? What other options could be considered?

**Question 10:** Is our approach to providing housing for children and young people, including fostered children, correct? Should we consider any other elements to this?

**Question 11:** Do you support the partnership approach to housing? Are you already involved, or would you consider being involved local partnership work? How would you like to be involved in the future?

# Appendix 1: Background

## National Context

138. Throughout the UK and particularly in the South East, the housing market has changed significantly in recent years. House prices continue to rise while wages lag behind, and affordability is major issue for people. This is reflected in the lower number of first-time buyers, the age of first-time buyers going up and a booming private rental market which is continuing to grow. Life expectancy has increased which not only slows churn in the market but requires a rethink about the kinds of homes being built for those in later life.
139. As well as demographic and housing market conditions changing, the availability of finance to support buying a home has gone down. You now require a larger deposit to attract a mortgage, which is making owning your first home more difficult.
140. We cannot overlook the impact of changes to the way social and affordable housing is now funded has had on the delivery of new homes. Welfare reforms have limited the access to rental properties across all tenures, grant funding for social housing is greatly diminished and resources for supported accommodation are also declining. Social rented properties are losing out to the more lucrative affordable rent model which has put extra stress on what remains of our social rented stock across the country.
141. According to the Joseph Rowntree Foundation (JRF), high rental housing costs means an estimated 3.8 million workers (1 in 8) are in poverty and that 55% of those in poverty are families.
142. With changes to funding for the delivery of affordable homes, many housing associations have become more commercially minded and less social rented housing is being built. The government has developed ambitious initiatives to make home ownership a reality for more people, especially younger and first-time buyers and starter homes. Shared ownership and rent to buy are examples of this, as are changes to the tax regime for buy to let landlords.
143. A significant programme of welfare reform has been introduced aimed at encouraging those who currently don't work back into work and to reduce the overall welfare bill. Changes include the benefit cap, universal credit, under-occupation (Bedroom Tax); reducing the amount of housing benefit those under 35 can claim, and reducing altogether the ability for 18 to 25-year olds to receive housing costs in their benefit entitlement.
144. The Housing and Planning Act 2016 introduced the concept of a fixed-term social tenancy, rather than a tenancy for life and whilst currently only being piloted in some areas it marks a significant shift in the concept of social housing. Instead of being a destination, social housing then becomes part of a

life journey and this change could result in a very different approach to housing management - one where councils and other social housing providers may need to consider how to support tenants to find work, improve their lives, and move on.

145. Other initiatives introduced by the government to further commitment to the provision of new affordable homes include:

- The Housing Infrastructure Fund to deliver infrastructure for up to 100,000 new homes in areas of high demand;
- Funding to deliver 40,000 additional affordable homes nationally
- Relaxing restrictions on government grants to allow a wider range of housing types;
- Continued support for homeownership through the Help to Buy, Equity Loan scheme, and the Help to Buy ISA; and
- Taking over where local councils are not permitting enough housing to be built
- For those authorities who have a Housing Revenue Account, a removal of the borrowing cap was introduced in late 2018

146. A common approach to assessing housing need has been introduced. Making the housing market more efficient is the cornerstone in building resilient communities and thriving economies. However, there will always be some people that need more help, or for whom owning their own property is an unrealistic ambition. People's circumstances can change, and local authorities need to support people to remain in their homes for longer. Councils will continue to have a role in providing a safety net for the most vulnerable.

147. Homelessness is the most extreme expression of housing need and is increasing nationally. Nationally, three-quarters of those accepted as statutorily homeless were families with children, or those expecting a child. The prevention of homelessness is an increasingly important feature of the government's housing response and is reflected in this Strategy.

148. The Homelessness Reduction Act 2017 significantly reformed England's homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. It also requires housing authorities to provide homelessness services to all those affected, not just those who have 'priority need'. Nationally, it is widely recognised that the United Kingdom has a severe shortage of homes. Locally, the housing market has always been somewhat removed from the highs and lows of the mainland but there are still a range of challenges we face in ensuring the delivery of appropriate housing for local people. In the last five years the Government has also recognised the significant role that the Private Rented Sector (PRS) plays in local housing markets and the need for improved standards and regulation. In contrast to the general de-regulation that the government has brought about recently, this sector has seen a considerable increase in regulation, ranging from measures that improve and regulate letting processes, to increasing the scope of mandatory licensing of houses in

multiple occupation and enabling wider and tougher measures for rogue and criminal landlords.

149. It is always important to remember that the housing already built will continue, for many years, to be the dominant type of housing on the Island. It is crucial that the current stock is well managed and that where appropriate the local authority uses its powers to ensure residents in the private sector live in decent quality and well managed homes. There is little to no institutional PRS on the Island with most private rented properties being owned and managed by small scale landlords. This has its challenges and a key role for the local authority locally will be to ensure we use make full use of the powers afforded to us to deal with rogue landlords, badly managed and poor-quality homes of multiple occupation and to bring empty homes back into use.
150. The Isle of Wight economic situation is unfavourable with higher than average rates of unemployment and lower than average wages. 18.6% of households are workless compared with 11.6% in the South East<sup>2</sup>, median gross weekly pay for those in work is £483.40 per week compared with £574.90 in the South East<sup>3</sup>.
151. People are living longer and increasingly being cared for at home rather than in residential placements. (More than 1 in 4 of the Isle of Wight population is older than 65, the 15<sup>th</sup> highest of any local authority in England and Wales).<sup>4</sup> While the life chances of those who stay in their own homes, rather than moving into care are improved, this does have the effect of stalling churn in the housing market. Larger family homes are often lived in by single older households who could, if there was the right product, downsize into a smaller and more manageable property.
152. As well as an ageing local population, there has been an increase in the number of older people migrating to the Island from elsewhere in the country, particularly in the 65 to 79 year old age group (three times as many in 2016 than in 2012).<sup>5</sup> The market has catered for the influx and the Island has a large stock of bungalows which tend to be land-hungry.
153. A consequence of an ageing population is that thought must be given to more appropriate housing for later life. The Island Independent Living Strategy and associated market position statement sets out the challenge as well as the requirements for introducing a new form of housing to better support residents in later life and to reduce the dependence on expensive and, not always appropriate, residential care options.

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<sup>2</sup> NOMIS – Workless Households (Jan – Dec 2016) accessed 29/05/18

<sup>3</sup> NOMIS – Earnings by place of residence (2017) accessed 29/05/18

<sup>4</sup> Isle of Wight Council JSNA – Demographics and Population Factsheet Oct 2017

<sup>5</sup> ONS internal migration statistics 2016



The Care Closer to Home Strategy also sets out the council's approach to ensuring more residents are able to stay in their own homes for longer and with the appropriate support packages are able to live fulfilling independent lives.

154. A significant proportion of children on the Isle of Wight continue to live in poverty. In 2015, 18.8% of children living on the Isle of Wight were living in poverty. This rose to 28.53% after housing costs were included. By 2017, child poverty had increased to 18.95% (29.49% after factoring in housing costs).

The End Child Poverty coalition published figures in January 2018 that highlighted 7,629 children (29.49% after housing costs (19.2% before housing costs)) on the Isle of Wight were living in poverty. This was a rise of 176 children since November 2016, when 7,453 Isle of Wight children (28.53%) were reported by the coalition to be living in poverty. A review of the research by the Joseph Rowntree organisation published in March 2016 highlighted that 'there is a strong association between families' socio-economic circumstances and the chances that their children will experience childhood abuse/neglect. The greater the economic hardship, the greater the likelihood and severity of childhood abuse/neglect.' Increasing access to more affordable housing solutions for families is therefore important in improving life chances of young people.

155. Build costs are typically higher on the Island than on the mainland and land values continue to stay below mainland comparators. This has a knock-on effect to viability and delivery rates are slow. This is despite a plethora of planning permissions being granted. Typically, 3- and 4-bedroom detached properties are favoured by the development market and very few smaller properties are being built as the return rate on larger properties is higher. This limits the availability of smaller properties to young people and families starting out on the housing ladder.

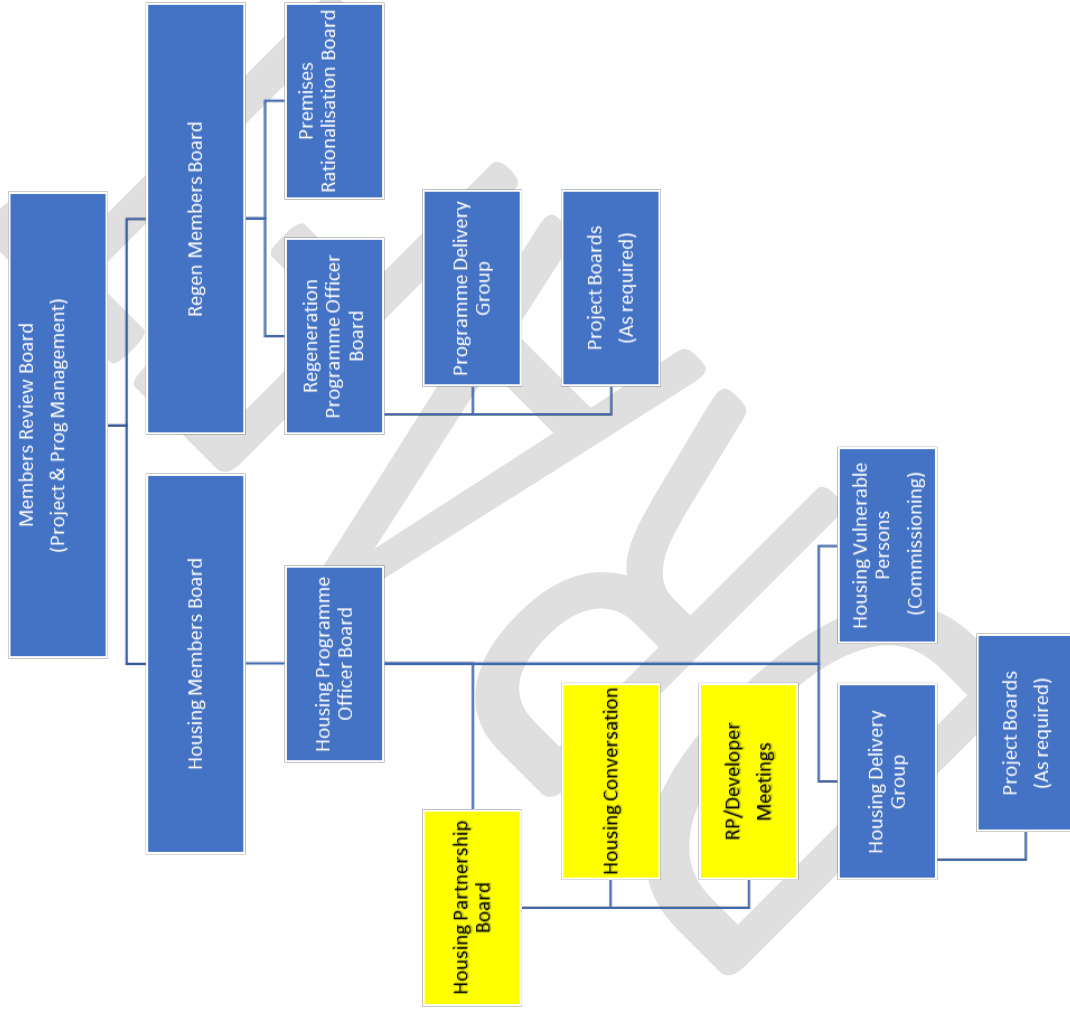
156. A consequence of all these factors is that the delivery of affordable housing has decreased in recent years to a low of 18 affordable dwellings built in 2017/18. This sits alongside in a decrease in house building in general across the Island in recent years. The Island has seen an increase in homelessness applications in recent years and use of temporary accommodation has now outstripped supply as the number of available affordable homes has gone down. The good news is that projections for the delivery of affordable homes by island Registered providers over the next 3 years are above the annual target of 222 affordable homes per year.

157. The 2018 Housing Needs Assessment further identifies a range of local challenges to our housing market and has identified the types, tenures and quantities of housing needed across the Island. The Island Planning Strategy and planning system will have a key role to play in ensuring the right type of housing is delivered and this strategy in turn plays a role in influencing the

development of planning policy and steering those policies to ensure that local housing needs are addressed.

158. The emergence of the new Island Plan sets out where new housing development can take place; policies on type of housing to be provided including tenure and affordability. The emerging planning strategy should seek to secure the provision of a range of appropriate tenures including new social and affordable rented homes, shared ownership and shared equity homes, rent to buy and starter homes as well as general market housing. This strategy will be key to ensuring delivery by partnership working with registered providers, landowners and developers and where appropriate, intervention by the Local Authority.
159. A further influence on this strategy has been the continued reduction on local authority funding. In December 2016, the Isle of Wight Council made the decision to re-introduce a regeneration programme to ensure that Council assets are fully utilised, generating an income through both increased business rates (attracting new and growing local businesses) as well as driving an increase in Council tax through building new homes. The development of new homes also stimulates the local economy, creating jobs and training opportunities for Island residents.
160. This strategy aims to help create the conditions for more new homes to be built and for growth and an aspiration to develop. There is a need to reduce demand and increase the resilience in our communities wherever possible, needing to create and support places that are communities and which meet the needs of individuals and families at all stages of their lives.

# Appendix 2: Housing Strategy Governance Structure 2019



## Appendix 3: Draft Housing Action Plan

	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Strategic Priority 1: Housing Supply</b>					
Seek to enable the provision of new homes through a step change in delivery towards the Island’s annual target when agreed with Government.	X				
Produce an adopted Island Planning Strategy that appropriately balances social, economic and environmental considerations for house building.	X				
Devise a new “affordable” housing planning policy for the Island to maximise the number of “affordable” homes delivered.		X			
Seek to deliver or facilitate a programme of 100 homes per year through council led activity over the life of this strategy, mainly “affordable” homes.	X	X	X	X	X
Maximize the provision of affordable housing on council-owned land including infill development on brownfield sites.	X	X	X	X	X
Prioritise available funds and council assets to provide for the delivery of “affordable” housing schemes in partnership with housing associations, and a range of other committed providers including housing co-operatives.	X	X	X	X	X

	2020/21	2021/22	2022/23	2023/24	2024/25
Work with private and public sector partners to acquire and assemble sites to facilitate the delivery of new homes.	X	X	X	X	X
Champion high quality developments as examples of good practice	X	X	X	X	X
Enable the provision of around 100 new homes each year for those needing extra care in partnership with Housing associations.	X	X	X	X	X
Support developers to showcase the benefits their developments will bring – number of jobs, apprentices, community contributions and more	X	X	X	X	X
Undertake a formal review of the scheme of allocation of “affordable” housing on the Island.	X				
Create a wholly-owned subsidiary housing company to increase the number of houses built on the Island landlords to both invest in local communities and help others on low or average household incomes access housing.		X			
<b>Strategic Priority 2: Housing Affordability</b>					
Define “affordability” on the Isle of Wight	✓				
Establish a data base and tool that can drill down “affordability” to postcode and area level based on both wages and housing cost ratios.	✓				

	2020/21	2021/22	2022/23	2023/24	2024/25
Incorporate our developing evidence base on “affordability” into the adopted Island Plan to increase the number of new “affordable” homes delivered.	X				
Complete a formal review of the scheme of allocation of “affordable” housing on the Island.	X				
Produce a plan to define and improve housing opportunities for key workers		X			
Intervene in the market where possible to tackle the growing (un)affordability of rents, especially for vulnerable groups and those on low incomes.	X	X	X	X	X
<b>Strategic Priority 3: Private Sector Housing</b>					
Assist homeless households and others on low incomes to access private sector homes.	X	X	X	X	X
Undertake a feasibility study for introducing an Island-wide landlord registration scheme.		X			
Expand the mandatory HMO licensing scheme to cover all properties identified.	X	X	X	X	X
Undertake rigorous enforcement against rogue landlords who have a history of breaking the law.	X	X	X	X	X

	2020/21	2021/22	2022/23	2023/24	2024/25
Support responsible landlords and work with them to become professional and grow their business	X	X	X	X	X
Use all available powers to bring genuine empty properties back into use.	X	X	X	X	X
Work with utility companies and other agencies to insulate homes and improve the energy ratings of older buildings.	X	X	X	X	X
Develop services with Adult Social Care, Public Health and the CCG to enable elderly and disabled residents to live independently in their own home.	X	X	X	X	X
Ensure a well-resourced Private Sector Housing Service to support good landlords and carry out the council's statutory responsibilities towards tenants and landlords.	X	X	X	X	X
Continue to be first port of call for unsecured buildings, offering advice, assistance and enforcement powers if necessary.	X	X	X	X	X
Work with private landlords to ensure properties are well managed and appropriately licensed where necessary	X	X	X	X	X
Continue to support the retrofitting of existing stock to improve energy efficiency (subject to funding)	X	X	X	X	X

	2020/21	2021/22	2022/23	2023/24	2024/25
Establish a permanent site with appropriate services for the Gypsy & Traveller Community.		X			
<b>Strategic Priority 4: Homelessness and housing need</b>					
Adopt a Homeless Strategy that has been co-produced with clients, landlords, the voluntary sector and other partner agencies.	X				
Develop new partnerships with private and third sector landlords to maximise opportunities for tenancies for homeless families and individuals	X	X	X	X	X
Establish a subsidiary housing company to acquire homes to alleviate the pressures on temporary accommodation and bed and breakfast provision.		X			
End the use of bed and breakfast for families with children		X	X	X	X
Identify a suitable location for a homeless assessment hub and wet facility where users will have access to a range of support services to meet their needs		X			
Develop a tenancy academy to ensure that tenants are adequately trained and prepared to sustain their own tenancies		X			
Develop specialist pathways into services to minimise the impact and trauma associated with homelessness		X			



	2020/21	2021/22	2022/23	2023/24	2024/25
Deliver a Gold Standard homelessness assessment, information and advice service (National Practitioner Support Service NPSS)		X			
Use only the most appropriate temporary accommodation to prevent further social and economic deterioration and identify ways in which more suitable temporary accommodation can be developed or accessed	X	X	X	X	X
Showcase stories of Islanders and their housing journey		X			
<b>Strategic Priority 5: Special housing needs and vulnerable people.</b>					
Continue to work closely with our registered provider partners to bring forward more Island Independent Living schemes for extra-care (IIL)	X	X	X	X	X
Actively seek land within our ownership to bring forward new schemes, for example, the former Sandham Middle School site to 82 new units of IIL housing	X	X	X	X	X
Ensure our internal systems and processes are adequately set up to capture interest and help ensure the right people access this form of housing	X	X			
Invite new providers to take an interest in developing mixed rent/buy schemes of this nature on the Island	X	X	X	X	X

	2020/21	2021/22	2022/23	2023/24	2024/25
Have a robust approach to encouraging down-sizing into more manageable housing agreed across all housing providers	X	X	X	X	X
Review the Isle of Wight Sufficiency Duty annually.	X	X	X	X	X
Complete the commissioning for Pathways to Independent Adulthood supported accommodation offer for 16 to 25-year olds		X	X		
Ensure there is an age and stage approach with a range of providers which matches need to the level of support so vulnerable 16 to 25-year olds including care leavers, build their skills to live independently	X	X	X	X	X
Continue to engage with developers to think through how homes can be developed to encourage the ability of the occupier to be a foster carer and provide safe placement opportunities for children in care.	X	X	X	X	X
Commission the delivery of specialist accommodation as required.	X	X	X	X	X
<b>Strategic Priority 6: Partnerships</b>					
Establish the Island Housing Board to steer the delivery of this strategy, bringing together partners from a broad range of sectors	X				
Regularly hold housing conversations with a wide range of partners on a variety of themes connected to achieving the ambitions set out in this strategy	X	X	X	X	X

	2020/21	2021/22	2022/23	2023/24	2024/25
Create a positive environment for new housing delivery and find new and innovative ways to deliver new homes	X	X	X	X	X
Actively promote the Island as a great place to live and grow businesses	X	X	X	X	X
Celebrate good quality housing developments and promote positive press and media coverage	X	X	X	X	X
Sustain a positive housing campaign to break down resistance to new housing development	X	X	X	X	X
Continually seek out best practice from other local authority areas across the Country and learn from those areas where housing demand is being matched by a step change in the approach to supply.	X	X	X	X	X
Work across all public sector land holders on the island to seek ways to release surplus land and make better use of public assets.	X	X	X	X	X
Continue to work with our Registered Provider partners to identify how current housing might be changed or adapted to make best use of the stock.	X	X	X	X	X
Continue to champion sustainable development: sustainable in location, carbon footprint, building materials and sensitivity to the local environment.	X	X	X	X	X
Seek high quality design from any new developments	X	X	X	X	X

# Appendix 4: Housing Affordability Assessment

## Introduction

The housing strategy for the Island identified that it was important to define affordability at a local level.

The Island has high levels of home ownership with 70% of homes being owned compared to 68% in the South East and 63% in England. By comparison there are relatively low levels of socially rented properties (10.7%) compared to the South East (13.7%) and England (17.7%). The Private Rented Sector (PRS) offer is variable but is generally considered to comprise around 19% of total properties. However, these proportions have remained largely static over the past 15 years, which suggests that to significantly influence this, positive intervention is required. The Island also has a high level of second home ownership (1 in 6 homes) which has the effect of inflating prices and adding to the affordability issue as well as limiting the availability of housing stock in certain areas.

## Executive Summary of Housing Affordability Assessment

From the analysis undertaken in this assessment, we would suggest these Island Affordable Rent levels are appropriate.

- 1-bed: 70% market rent or LHA, whichever is the lowest
- 2-bed: 70% market rent or LHA, whichever is the lowest
- 3-bed: Up to 65% for working families or capped at 50% for low income
- 4-bed: 50% market rent (capped rent)

These rent levels would give some comfort that the “at risk” larger low income or benefit dependant families will at least have some housing options that will not see immediate affordability issues.

As three beds are the threshold point at which Island affordability issues begin in earnest, it could be that a proportion of these could be appropriate at a lower “capped” level for families most in housing need, but with the remainder placed at a slightly higher

rental level (up to 65%) for working families where affordability is not as acute an issue. Such a split would be more difficult for four bed homes as the affordability results are that much worse

### **Affordable Rent Methodology**

There are many ways to calculate and measure 'affordable' rent levels. Deciding what level of rent is affordable is a complex undertaking as there are many varying factors such as family size, distribution of income across household members, various tax codes and tax credits, as well as variations in the non-housing-based costs of living such as transport.

The costs of undertaking this sort of analysis are large and time consuming, and subject to a large degree of variation, so for the purposes of strategic decision making we felt that a basic affordability calculation looking at rent and income levels in a local area was enough.

There are many different definitions of affordability, but a range of between 25%-35% of net income (after tax) being spent on housing is commonly considered affordable. Of course, this will depend on other demands on income, and 35% of income for a low-income family with children may be much less affordable than 35% of income for a higher earning couple without children.

A definition is needed to be able to make some generalisations about populations however, and we are able to look at gross household income at a local level, so for the purposes of this assessment we are starting from the assumption that viable affordable rent should not exceed 30% of gross household income (which would be more than 35% of net income so is a cautious estimate of affordability).

### **Strategic Context**

There are approximately 61,000 residential households, spread across the 5 regeneration areas as below (Newport has 9,597 but these overlap the other areas). For the purposes of this study we have excluded Newport as a separate area due to this overlap.

East Medina	8,105
Ryde	15,926
The Bay	16,131
West Medina	14,149
West Wight	6,774

*Residential households by regeneration area.*

## 2.1 Market Rental Values

In order to ascertain the average market rental values for the Island, we have used the following process:

1. Procured rental data for the past three years from Rightmove, covering all private rental properties.
2. Calculated an average figure for each property size by LSOA
3. Aggregated these to calculate an average figure for each property size by regeneration area

<b>Regeneration Area</b>	<b>1 Bed</b>	<b>2 Bed</b>	<b>3 Bed</b>	<b>4 Bed</b>
<b>East Medina</b>	£522.30	£673.64	£816.90	£1,060.97
<b>Ryde</b>	£489.46	£627.24	£837.96	£1,151.86
<b>The Bay</b>	£480.88	£628.29	£833.77	£1,095.70
<b>West Medina</b>	£531.91	£665.33	£803.07	£1,129.28
<b>West Wight</b>	£498.87	£655.41	£863.24	£1,269.75

*Table 1: Average advertised Isle of Wight rental values by regeneration area and bedroom size. Source: Rightmove data 2016-2019*

This is the average of all properties advertised on Rightmove between 2016 and 2019 with one, two or three bedrooms. All obvious duplicates have been removed, but if the same property was advertised more than once during the year then it will have been included in the data set each time, which is why average costs are being used.

We have excluded those properties listed as having more than four bedrooms and those listed as no bedrooms as there were only small numbers of these and they skewed the figures for the purposes of this report.

Average market rents - Isle of Wight by regeneration area and bedroom size

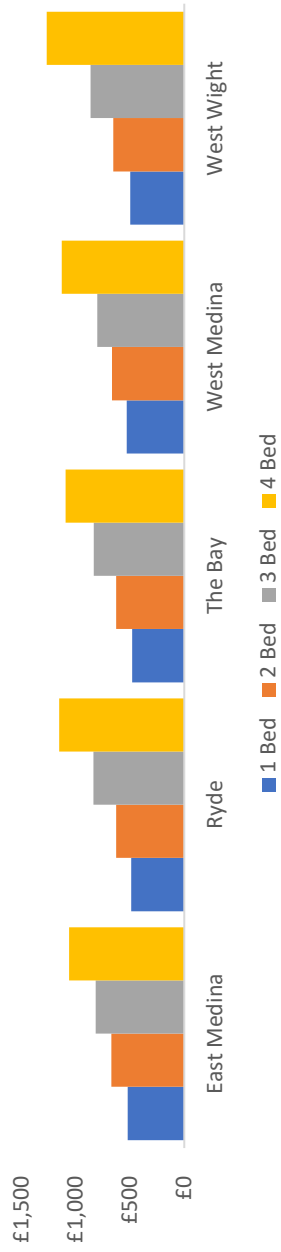


Table 2 – Source: Rightmove data 2016-2019

Table 2 shows that while 4-bedroom houses are more expensive to rent across the Island as you might expect, they are proportionately more expensive in the West Wight regeneration area.

Average market rents - Isle of Wight by regeneration area and bedroom size

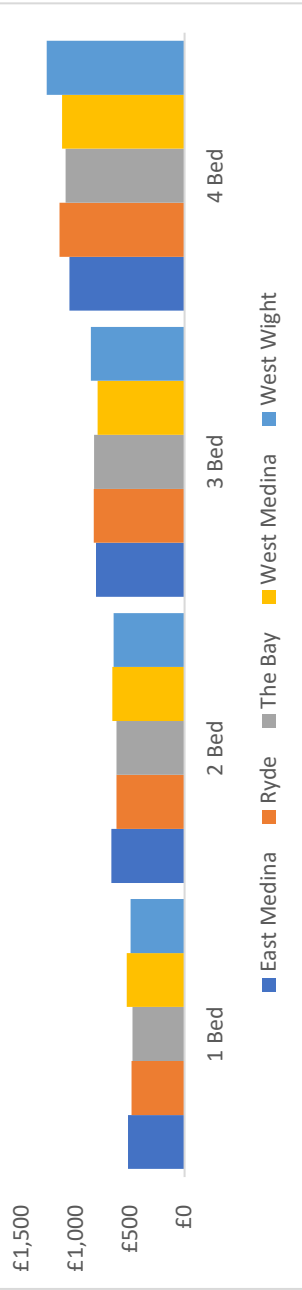


Table 3 – Source: Rightmove data 2016-2019



Table 3 shows the differences across the Island showing the same data as Table 2 but grouped by bedroom size. You can see again the increased rent levels for 3- and 4-bedroom houses in the West Wight area, but also 1- and 2-bedroom properties in the East Medina regeneration area seem slightly more expensive than the rest of the Island.

### **Local Housing Allowance**

Local housing allowance (LHA) rates are used to calculate housing benefit for tenants renting from private landlords. LHA rates in October 2019 for the Isle of Wight are as below:

- 1 bedroom - £93.13 per week (£403.56 per month)
- 2 bedroom - £121.97 per week (£528.54 per month)
- 3 bedroom - £149.59 per week (£648.22 per month)
- 4 bedroom - £184.11 per week (£797.81 per month)

Comparing the private rental market data with the LHA levels for each regeneration area gives an indication of how affordable private rental market options are in that area. The tables below give detail for the Isle of Wight. Affordability varies across the Island but across the board there are less than 12% of private rental properties that are likely to be affordable to those in receipt of housing benefit, and in East Medina and West Wight less than 5% of private rentals fall below the LHA limit.

Area	1 bed		2 bed		3 bed		4 bed	
	Number below LHA	Total	Number below LHA	Total	Number below LHA	Total	Number below LHA	Total
Bay	48	371	120	829	10	316	3	97
East Medina	8	158	22	511	3	295	1	77
Ryde	64	531	126	889	15	363	2	94
West Medina	23	352	51	925	26	487	9	139
West Wight	5	68	13	190	4	162	2	40

Table 4 – Private rentals vs LHA allowance by bedroom size. Source: Rightmove 2016-2019 and [www.gov.uk](http://www.gov.uk) LHA rate calculator

Area	Total Properties Advertised for private rent	Number below LHA maximum	% of private rentals affordable to those on LHA
Bay	1,613	181	11.2%
East Medina	1,041	34	3.3%
Ryde	1,877	207	11%
West Medina	1,903	109	5.7%
West Wight	460	24	5.2%

*Table 5 – Private rentals total vs LHA allowance by area. Source: Rightmove 2016-2019 and [www.gov.uk](http://www.gov.uk) LHA rate calculator*

The picture gets worse for those people in need of larger properties – while 10.3% of 1 bed properties across the Island are affordable to those in receipt of housing benefit, less than 4% of 3 and 4 bed properties meet that threshold. Over the last 3 years there have only been 19 four bed houses and 67 three bed houses across the whole Island available at low enough rents.

Size of property	% of private rentals affordable to those on LHA
1 bed	10%
2 bed	9.9%
3 bed	3.6%
4 bed	3.8%

*Table 6 – private rentals total vs LHA allowance. Source: Rightmove 2016-2019 and [www.gov.uk](http://www.gov.uk) LHA rate calculator*

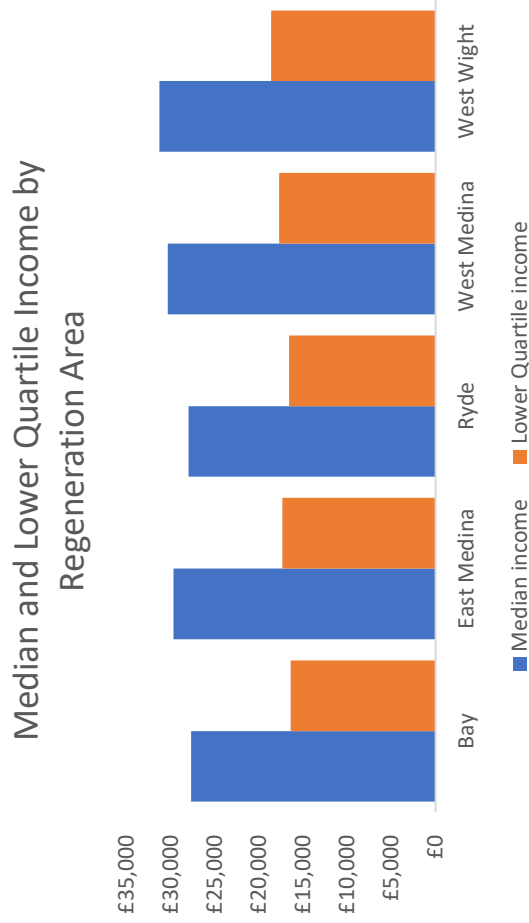
If all the rental properties were available at 80% of market rent then that would increase affordability, and in all areas except East Medina, at least half of properties would then be affordable to those on LHA. In East Medina around just under half (47%) would be affordable suggesting that private rental properties in that area are more over the LHA level, so even at 80% they would still be too expensive for most people in receipt of housing benefit.

Area	Total Properties Advertised for private rent	Number below LHA maximum at 80% of market rent	% of private rentals at 80% market rent affordable to those on LHA
Bay	1,613	1,055	65.4%
East Medina	1,041	488	46.9%
Ryde	1,877	1,168	62.2%
West Medina	1,903	1,026	53.9%
West Wight	460	247	53.7%

*Table 7 – Private rentals 80% of market rent vs. LHA allowance by area. Source: Rightmove 2016-2019 and [www.gov.uk](http://www.gov.uk) LHA rate calculator*

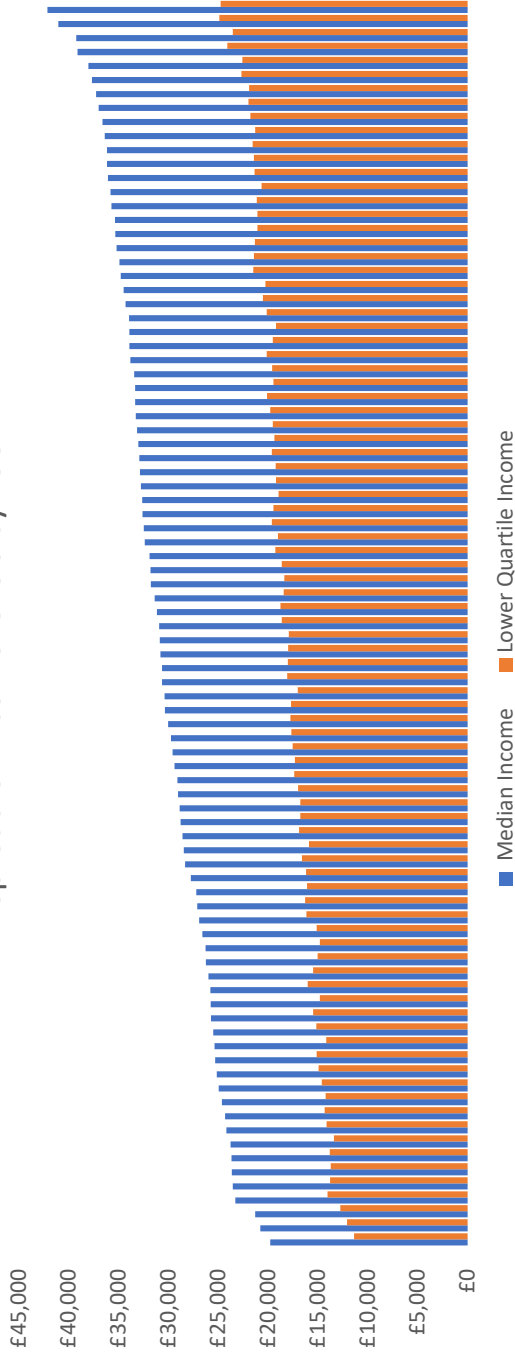
## Income

Local Housing Allowance is one measure of affordability, but those who are working and not in receipt of benefits can still struggle to find suitable affordable housing. CACI Paycheck data gives us estimated income levels by postcode for all areas of the Island, which enables us to do some local analysis to identify areas where residents might find it more difficult to find suitable affordable housing.



The median income doesn't vary greatly across the Island at a regeneration area level, from £27,728 in the Bay to £31,305 in West Wight, but within those areas there is greater variation at an LSOA level from £19,802 in Lake South A, to £42,137 in Binstead A (more than double that in Lake South A). The lower quartile income shows a similar spread, from £11,392 in Lake South A to £24,766 in Binstead A (again more than double the level in Lake South A).

### Spread of income levels by LSOA



The tables below show the affordability ratio for market and discounted rent levels as a percentage of gross household income. Where the ratio is 30% or above then it is considered unaffordable and is highlighted red in the tables below. Those with a ratio of 20% or under are highlighted green as they are affordable, and those in between are amber.

It is clear that in all areas market rent is just about affordable for 1- and 2-bedroom properties, but 4-bedroom properties are unaffordable in all areas. 3 bedrooms are unaffordable in most areas except West and East Medina, but this is a crude measure based just on gross income so where the figures are close to 30% it's likely that those are also unaffordable.

Reducing the rent to 80% of market value makes it more affordable in all areas for smaller properties, but for 4-bedroom homes particularly in the West Wight and Ryde areas rent would need to come down to 60% of market value to be more realistically affordable.

1 bed					2 bed						
Regen area	Median Income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent	Regen area	Median Income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent
Bay	£2,311	20.8%	16.6%	14.6%	12.5%	Bay	£2,311	27.2%	21.8%	19.0%	16.3%
East Medina	£2,476	21.1%	16.9%	14.8%	12.7%	East Medina	£2,476	27.2%	21.8%	19.0%	16.3%
Ryde	£2,335	21.0%	16.8%	14.7%	12.6%	Ryde	£2,335	26.9%	21.5%	18.8%	16.1%
West Medina	£2,530	21.0%	16.8%	14.7%	12.6%	West Medina	£2,530	26.3%	21.0%	18.4%	15.8%
West Wight	£2,609	19.1%	15.3%	13.4%	11.5%	West Wight	£2,609	25.1%	20.1%	17.6%	15.1%

3 bed					4 bed						
Regen area	Median Income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent	Regen area	Median Income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent
Bay	£2,311	36.1%	28.9%	25.3%	21.6%	Bay	£2,311	47.4%	37.9%	33.2%	28.5%
East Medina	£2,476	33.0%	26.4%	23.1%	19.8%	East Medina	£2,476	42.8%	34.3%	30.0%	25.7%
Ryde	£2,335	35.9%	28.7%	25.1%	21.5%	Ryde	£2,335	49.3%	39.5%	34.5%	29.6%
West Medina	£2,530	31.7%	25.4%	22.2%	19.0%	West Medina	£2,530	44.6%	35.7%	31.2%	26.8%
West Wight	£2,609	33.1%	26.5%	23.2%	19.9%	West Wight	£2,609	48.7%	38.9%	34.1%	29.2%

The tables below show the same information for the lower quartile income earners. It is clear from the large amount of red in these tables that for all areas of the Island the households in the lowest 25% of income are unable to afford either a three- or four-bedroom house without placing themselves in housing stress and spending more than 30% of their gross income on housing.

1 bed					2 bed						
Regen area	LQ income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent	Regen area	LQ income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent
Bay	£1,370	35.1%	28.1%	24.6%	21.1%	Bay	£1,370	45.9%	36.7%	32.1%	27.5%
East Medina	£1,449	36.1%	28.8%	25.2%	21.6%	East Medina	£1,449	46.5%	37.2%	32.5%	27.9%
Ryde	£1,383	35.4%	28.3%	24.8%	21.2%	Ryde	£1,383	45.3%	36.3%	31.7%	27.2%
West Medina	£1,477	36.0%	28.8%	25.2%	21.6%	West Medina	£1,477	45.0%	36.0%	31.5%	27.0%
West Wight	£1,555	32.1%	25.7%	22.5%	19.2%	West Wight	£1,555	42.1%	33.7%	29.5%	25.3%



Regen area	3 bed				4 bed						
	LQ income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent	Regen area	LQ income	Market Rent	80% of Market Rent	70% Market Rent	60% Market Rent
Bay	£1,370	60.9%	48.7%	42.6%	36.5%	Bay	£1,370	80.0%	64.0%	56.0%	48.0%
East Medina	£1,449	56.4%	45.1%	39.5%	33.8%	East Medina	£1,449	73.2%	58.6%	51.3%	43.9%
Ryde	£1,383	60.6%	48.5%	42.4%	36.3%	Ryde	£1,383	66.6%	66.6%	58.3%	50.0%
West Medina	£1,477	54.4%	43.5%	38.1%	32.6%	West Medina	£1,477	76.4%	61.2%	53.5%	45.9%
West Wight	£1,555	55.5%	44.4%	38.9%	33.3%	West Wight	£1,555	81.6%	65.3%	57.2%	49.0%

### Conclusion: Housing Affordability Assessment

From the analysis undertaken in this assessment, we would suggest that appropriate Isle of Wight affordable rent levels would be:

- 1-bed: 70% market rent or LHA, whichever is the lowest
- 2-bed: 70% market rent or LHA, whichever is the lowest
- 3-bed: Up to 65% for working families or capped at 50% for low income
- 4-bed: 50% market rent (capped rent)

### Appendix 4 references:

1. Local Housing Allowance information <https://www.gov.uk/government/publications/local-housing-allowance-lha-rates-applicable-from-april-2019-to-march-2020> (accessed online October 2019)
2. Local Housing Allowance rate calculator <http://lha-direct.voa.gov.uk/search.aspx> (accessed online October 2019)
3. Shelter “What is affordable housing” <https://blog.shelter.org.uk/2015/08/what-is-affordable-housing/> (accessed online October 2019)