

Housing Renewal Strategy



June 2009

Foreword

The quality, type and tenure of housing helps define a neighbourhood and the community that lives there. This is particularly true in areas of Cliftonville and Margate where the predominance of poor quality rented housing has created one of most deprived communities in the country.

Our home also helps define us as individuals; it meets our basic need for shelter and sets our place in the community. Our home gives us a sense of place, security and belonging. Residents who live in decent quality housing are better placed to access education and employment. Areas with poor quality housing are more likely to have a range of economic, environmental and social factors entwined to create deprivation leading to a poorer quality of life for residents. A key driver for change must be to ensure that there is access to decent quality housing to enhance the opportunities for a decent quality of life and attract a mixed income community.

The problems of Cliftonville and central Margate are shared by many coastal communities throughout the country. We have sought to learn from their experiences and how they have tackled housing related deprivation in their area. However at the end of the day we need to find a solution that is tailored to the needs of our district and that is accepted and endorsed by the people who live in these communities.

The Housing Renewal Strategy, focuses on addressing the causes of a seriously unbalanced housing market, and will dovetail into other strategies focused on the cultural, economic and social regeneration of the area.

The Margate Renewal Partnership vision for Margate Central and Cliftonville West wards is that

"By 2015, Margate will become a dynamic, thriving and successful town. It will be a major hub and driving force of creativity and culture that excites and inspires residents and visitors alike. It will also embrace and celebrate its traditions as a place of relaxation, leisure and seaside fun. It will be a place where visitors choose to return to and a town where people aspire to live. (draft Framework and implementation Plan: 2009 – 2011)

There has been a high level of activity across government, regional and local partners towards achieving this vision. The Margate Renewal Partnership (MRP), set up in 2006 and chaired by South East England Development Agency (SEEDA), is leading on the major development projects for Margate's Renewal, identified in the Margate Masterplan and Margate Futures Action Plan. This includes the cultural regeneration and a new range of visitor infrastructure based around the Turner Contemporary art gallery. MRP involves the partners SEEDA, Arts Council for England, English Heritage, Homes and Communities Agency, Government Office South East, Heritage Lottery Fund, Kent County Council and Thanet District Council. The Partnership recognises that these strategic development projects do not in themselves tackle the socio-economic problems experienced by the residents in Cliftonville, and have identified the need for a more holistic approach to renewal.

The Margate Renewal Draft Framework and Implementation Plan provide the programme of partnership activities centred around four key themes. Recognition of the relationship between the housing market and deprivation is an important element of one of these themes (Strategic Action 3: *Tackling housing challenges and rebalancing the housing market*). As part of the Plan, Housing Renewal will dovetail into the strategic agenda for economic regeneration to address the consequences of the seriously un-balanced housing market.

Cllr Zita Wiltshire
Cabinet member with responsibility for Communities
Thanet District Council

1. Background

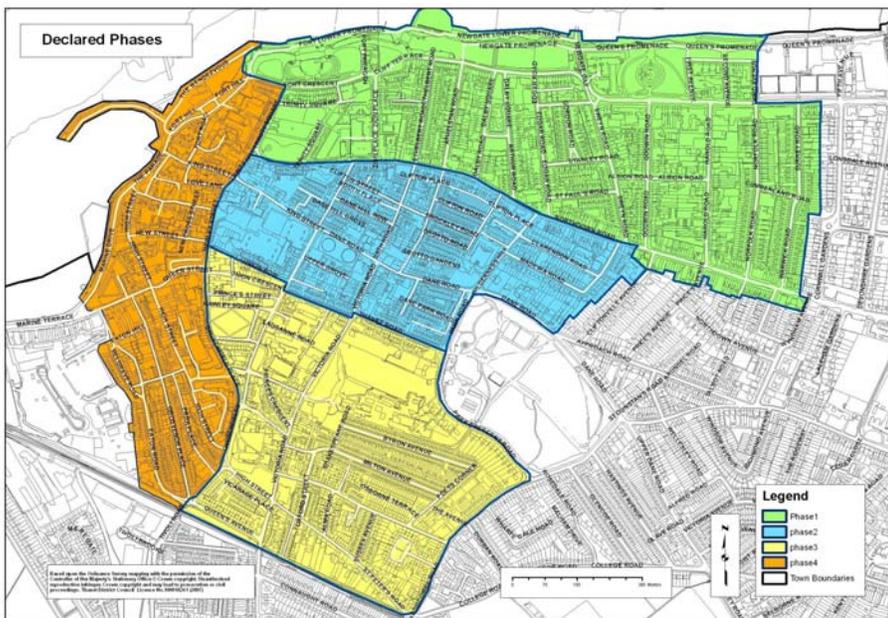
The concentration of deprivation in Cliftonville West and Margate Central are well documented. The Indices of Multiple Deprivation indicate that this area includes three of the top four most deprived super output areas in the South East and includes the five most deprived neighbourhoods in Kent.

This deprivation is manifested in numerous ways through high levels of worklessness and benefits dependency; a highly transitory population with an annual turn over of residents nearing 30% and considerable inequalities in health with life expectancy significantly lower than elsewhere in the county.

A detailed analysis of indices of deprivation in Cliftonville West and Margate Central is set out in Annex one

The nature of deprivation in these neighbourhoods has a distinctive character that is unlike that of many traditionally deprived areas but it has characteristics that are shared by communities in other seaside towns. The type, quality and tenure mix of areas like Margate and Cliftonville play a central role in creating communities in which there are high concentrations of vulnerable households with complex support needs. However it is the complex interrelationship between local economic and housing conditions and those of the region that have resulted in vulnerable people moving to or being placed in communities in Thanet

Thanet District Council recognised the need for action in these communities by commissioning a Neighbourhood Renewal Assessment of Margate Central and Cliftonville West in 2004. This report led to the Council declaring a four phase housing renewal programme, with phase one declared in May 2005 and the further three phases declared in January 2008.



This assessment led to the development of the Housing Renewal Delivery Plan, which included a targeted interventions aimed at influencing the local housing market with a view to increasing the level and quality of private sector investment in the area. This approach was supported by

the SSCF programme which sought to promote community engagement, build capacity amongst local residents and address some of the environmental consequences of deprivation.

Subsequently, Margate Central and Cliftonville West wards have been selected as a Communities and Local Government (CLG) Mixed Communities pilot demonstration area due to the complex housing challenges that exist, specifically the high level of poor quality, private rented accommodation.

In 2008 the Council, in partnership with the Margate Renewal Partnership sought to take stock of progress since the declaration of a housing renewal area and commissioned a further study to help understand the drivers of deprivation in these wards.

2. National Regional Context

A growing population, and an increasing number of single person households along with migration to London and the south east from other parts of the country has fuelled the demand for housing in the region. The shortage of housing has given rise to increased demand and rapidly rising house prices. The net result has been increasing difficulty for people to secure accommodation especially people who are on low incomes or not in secure and regular employment. The government has set ambitious targets for three million new homes nationally by 2020 including a requirement for 28,900 new homes annually in the south east region. Although recent economic conditions have altered this analysis, property prices remain high compared to incomes and disadvantaged sections of society are increasingly being marginalized in the housing market. For many households especially more vulnerable people or people on low incomes, home ownership has never been a realistic housing option. Recent reductions in property values have not changed this situation.

The traditional private rented sector has been declining for some considerable time, and although the sector has been stimulated by the 'buy to let' investor, it is increasingly difficult in most areas for households that are benefit dependent or on low incomes to access privately rented accommodation at rent levels that will be supported by local housing allowances.

At the same time the pressures on the supply of affordable housing has meant that it is increasingly difficult for households especially vulnerable single people, who may have mental health problems, or alcohol or drug related problems, to access social housing. It is this group of people that find it difficult to secure or sustain a tenancy in either the private or social sector, that are likely to migrate to areas of the region where rented accommodation is more easily accessible. Such type of accommodation that is available to people on state benefits is commonly found in seaside towns that are geographically isolated and have a weak local economy reducing the local demand for housing. There are many such examples nationally but Margate and Hastings stand out in this respect in the south east.

Providing quality affordable housing which meets local need is a high on the government agenda to ensure that a fair housing market is available to all. The Homes For the Future Green Paper in 2007 and the Housing and Regeneration Act 2008 provide the key priorities for government as:

- the availability of new homes to balance housing supply and demand;
- development of new home ownership schemes to give greater choice and opportunity to first time buyers, social tenants, key workers and people who rent privately;

- all social housing to meet the decent homes standard;
- reducing the level of homelessness; and
- transforming areas through housing renewal where deprivation is significantly reducing life chances.

Government sees local authorities as best placed to lead the place making role through effective strategic housing and planning for their area, strengthening the local authority's ability to address the housing needs of all of residents,

As a part of the government's programme of housing reform, the Housing and Regeneration Act 2008 established the Homes and Communities Agency bringing together the Housing Corporation and its role in funding new affordable housing and the regeneration responsibilities of English Partnerships. The Government has also taken the opportunity to transfer programmes like Mixed Communities into the remit of the new agency. The creation of the Homes and Communities Agency fits in well with the emerging strategy for tackling the housing and deprivation problems of Cliftonville.

3. Local Context

Margate Central and Cliftonville West are the most deprived wards in the South East of England (IMD). Despite being located in this affluent region, these wards are also in the bottom 3% of the most deprived wards nationally.

The area, a former holiday destination located on the northeast tip of Kent, has struggled to restructure its economy, which has led to serious deprivation challenges. This is a common feature of many UK coastal communities, as highlighted in the 2007 House of Commons Select Committee Report into Seaside Towns

There is a complex interrelationship between the regional housing market, the nature and character of the housing market in Cliftonville and Margate Central, and the high levels of deprivation which characterises the area.

One of the major challenges of the seaside town is the built environment. The Victorian seaside properties, characterised by large terraced houses over several floors with small gardens has led to a change in demand for the type and tenure of housing, and consequently a change in the demographic profile of such areas.

The vast majority of these properties are too large for retention as a single household family home, and only suitable for conversion to flatted or multi occupancy accommodation. With little opportunity for employment in recent years, these properties have become easily accessible housing for benefit dependent individuals and less attractive to home owners.

As owner occupiers sell up and move out, market values have reduced over time and the large properties have become easy pickings for landlords to purchase and sub divide, creating additional flats and HMOs and a greater percentage overall of privately rented accommodation, adding to the imbalance of the housing market. The transient nature of single person benefit dependent households has led to a high turnover of residents with people moving into the area from other parts of the country and others moving accommodation within the ward. This "churn"

detracts from any feeling of community and contributes to the area scoring poorly on community cohesion indicators.

Only by tackling the anomalies in the structure of the housing market and making the areas less attractive to vulnerable and benefit dependent households will the fortunes of Cliftonville and central Margate be transformed

3.1 Key feature of the housing market in Cliftonville and Margate central include:

- The reduced demand for B&B and hotel accommodation following the decline of the seaside economy leading to the prevalence of properties which are too large for occupancy by a single household. Many of these establishments have either been converted into Houses of Multiple occupation or care homes for children or vulnerable adults
- Significant imbalance in the housing market including 55% of homes privately rented,
- 84% of dwellings are flats
- 45% of households in the area are single persons;
- Over 50 known licensable Houses in Multiple Occupation (HMOs) and an indeterminate number that fall outside the requirement to be licensed
- 13% of dwellings have category one hazards under the HH&SRS
- 57% of dwellings don't meet the Decent Homes standard including 66% of properties in the private rented sector
- 7% of dwellings were empty although this is likely to have increased in recent months
- A highly transitory population with an annual turn over of residents nearing 30%
- 21% of residents had lived in the area less than one year

Given the clear link between the nature of the housing market and the concentration of social and economic deprivation of the area, it follows that a requirement to rebalance the tenure structure must be at the heart of any programme to create a more balanced and sustainable community in the area. In essence it is necessary to restrict the supply of cheap, poor quality rented accommodation that is attracting vulnerable, benefit dependent people to move to the area.

Fig 1 clearly demonstrate the shows the difference in house prices between Cliftonville West and other wards in Thanet, with Cliftonville prices 25% lower than the Thanet average, and more than 50% lower than some more affluent wards in Birchington and Broadstairs.

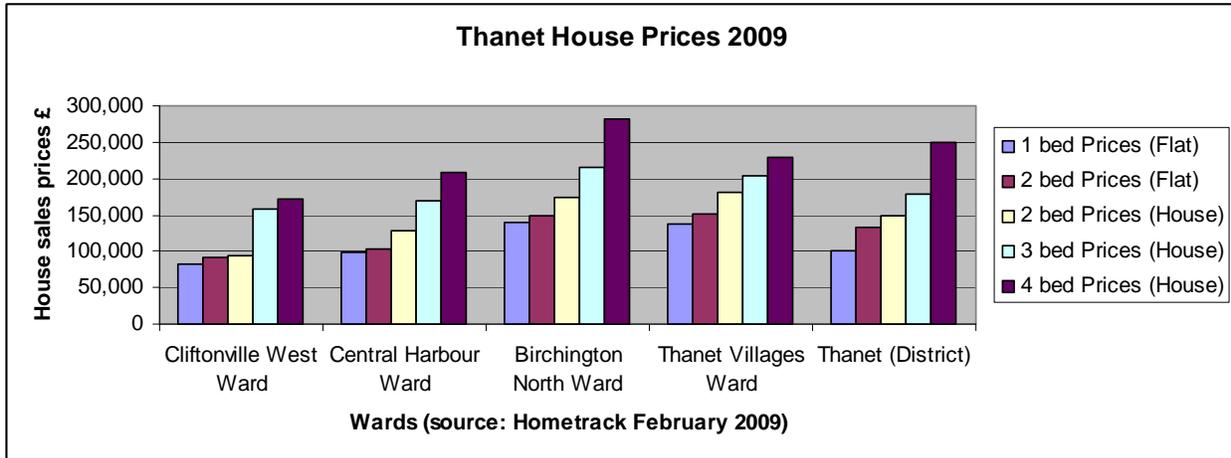
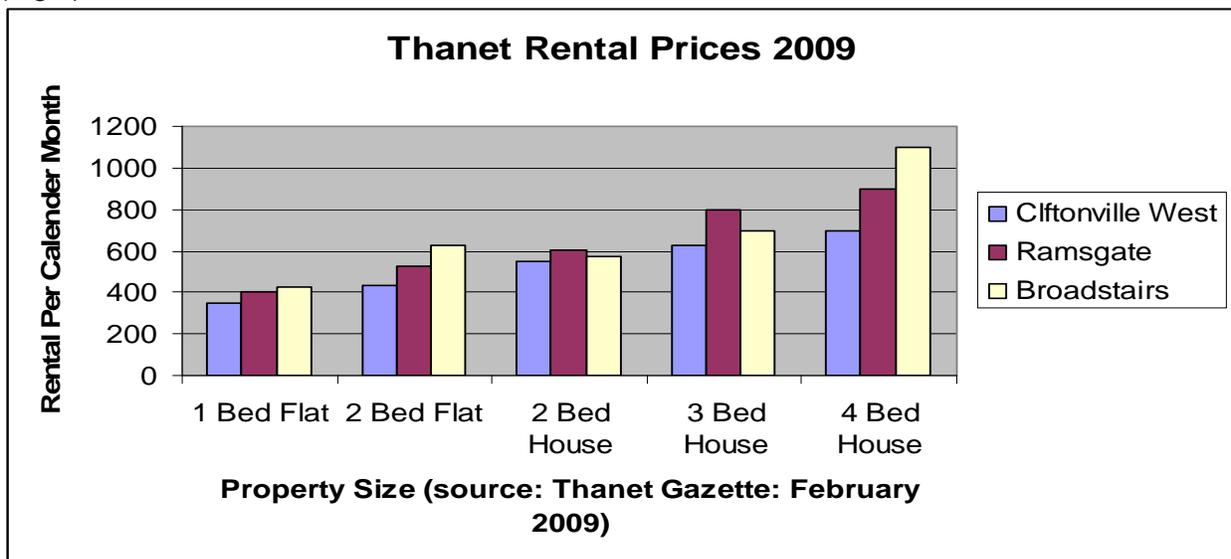


Fig 1: House price comparison by ward.

Rental incomes also vary across the district, however Fig 2 shows that for smaller units, Cliftonville West is not substantially different from other towns in Thanet, clearly supporting the argument that the return for investment in Cliftonville for private sector landlords can be significant in comparison with elsewhere in the district and other parts of the South East, particularly when rental incomes in the ward are fully met by Local Housing Allowance Levels (Fig 3).



Number of Bedrooms	Category	Weekly Amount	Monthly Amount
Shared room rate	A	£62.00	£268.67
1 bedroom	B	£91.15	£394.98
2 bedrooms	C	£121.15	£524.98
3 bedrooms	D	£150.00	£650.00
4 bedrooms	E	£175.39	£760.02
5 bedrooms	F	£184.62	£800.02

Fig 3: Source: Housing Benefit Department, Thanet DC.

Property values need to increase to ensure that the area is more attractive for people to invest in owner occupations while at the same time making the returns to landlords less attractive when letting to people at housing allowance levels.

A significant investment is being made by a large number of public sector agencies to tackle the effects and consequences of deprivation concentrated in to a small geographical area. Such investment will help improve the circumstances of individuals that have come to live in the area but it will not address the long term issues that will continue to draw vulnerable people to Cliftonville

People with no employment ties to their place of residence are likely to be squeezed out of the housing market or will find it difficult to secure rented accommodation at housing benefit rent levels. If such people are unable to access social housing in their place of origin then they are forced to move to areas such as Cliftonville and other seaside towns to secure a place to live. This situation is compounded by statutory agencies that place vulnerable adults into supported accommodation in the area or voluntary sector organisation working with vulnerable clients who are unable to readily secure accommodation for their clients in other parts of the region.

3.2 Housing Renewal Delivery Plan 2004-2008

The 2004 Neighbourhood Renewal Assessment set a vision to *“facilitate an increase in confidence levels of both residents and businesses in and about the area, improve its long term future as a place to live, recognising the social, physical and economic aspirations of those who live and work in the area”* (Annex 2: Neighbourhood Renewal Assessment 2004)

Through the Housing Renewal Delivery Plan, the Council sought to respond to the Neighbourhood Renewal Assessment and manage or influence the housing market to promote greater tenure diversification. Reducing the amount of housing stock that is privately rented is the key to achieving a more balanced housing market. The rationale for this approach was set out in the Neighbourhood Renewal Assessment in 2004. It is based on the following assumptions.

- Higher levels of home ownership would address the social inequalities and concentrations of vulnerable people in the area.
- It would create a more balanced mix of household types with a greater number of households in work, impacting positively on other deprivation challenges such as reducing the levels of benefit dependency.
- The built environment in Cliftonville is good with an attractive housing stock, unlike some other areas of concentrated deprivation in the county, and schemes to improve these buildings, internally and externally would have a positive impact on the marketing of the area.
- Similar communities have been regenerated through increased demand in housing. This has happened in many parts of London and closer to home in Whitstable and Ramsgate

The Housing Renewal Delivery Plan sought to transform the Neighbourhood Renewal Assessment into a series of practical actions designed to stimulate the housing market to move towards a more balanced mix of tenures. Thanet District Council provided £1million pump-priming funds towards this range of actions which have combined with other funded programmes to achieve successful outcomes. The key strands to this strategy were:

- **A targeted approach to tackle the worst privately rented accommodation, in particular the high number of poor condition HMOs. Achievements since 2005 include:**
 - 130 properties brought to the decent homes standard through local authority intervention
 - The enforced closure of seven HMOs.
 - 81 other enforcement notices served on landlords
 - 57 HMOs licensed in the area
 - Planning policy adopted to restrict further single occupancy development
 - Preparatory work on introducing a landlord accreditation scheme and discretionary licensing scheme for the area

- **Creating conditions that made the area more attractive to home ownership through increased environmental enforcement and improved refuse collection services:**
 - Increased refuse collection services to reduce littering and fly-tipping
 - increased environmental enforcement leading to over 200 environmental enforcement notices served since 2006

- **Providing grants to property owners to improve the external appearance of their properties:**
 - Over £650,000 of Council funding spent, generating an additional £350,000 of property owner private contributions leading to a marked physical improvement in certain streets within the Renewal Area.
 - 41 Decent Home grants/loans for owner occupied and private rented sector properties.
 - Ten, active community street schemes established

- **Targeted action against empty properties and other derelict sites**
 - A range of powers and initiatives used to bring back into use 112 empty and derelict properties from 2006.
 - £320,000 Regional Housing Board funding and commuted sums from other developments to purchase and develop properties for RSL management, leveraging in an additional £800,000 of private funding converting derelict properties or former guest houses into low cost home ownership.
 - Partnership working with RSLs, owners and private developers

- **Improving poor quality homes occupied by vulnerable residents:**
 - 35 properties occupied by vulnerable residents have received investment in repairs and energy efficiency such as new heating boilers and loft and cavity wall insulation.

Outside activities identified in the Housing Renewal Delivery Plan, the local authority has been active in other ways to help improve conditions in their neighbourhoods these include:

- Extensive work with developers to ensure that new developments deliver mixed tenure schemes that will enhance the area and not create further imbalances in the housing market
- Coordinated multi agency enforcement campaigns with the Police, Kent Fire and Rescue, Borders and Immigration Agency, Environmental Health and others through operation clean sweep
- Worked with Kent County Council and other district councils to stem the flow of vulnerable households being placed in the area by local authorities and their agencies

3.3 Margate Renewal Study

The findings of the Margate Renewal Study (see Annex 3) reinforced the Council's understanding of the drivers of deprivation in these neighbourhoods.

The specific recommendations for Housing Renewal included continuing many of the current activities focused on rebalancing the housing market and improving housing management and conditions. These include:

- Identifying ownership, condition and use of housing.
- Identify key sites for re-development.
- Identify key sites for intensive housing renewal.
- Improvement of public realm.
- Improving housing quality and management
- Working with Registered Social Landlords on chosen properties or sites for development of appropriate affordable housing.
- Developing a phased shared ownership scheme
- Continue with the enforcement approach to improving landlord management of rented accommodation.
- Introduce Additional Licensing Scheme for private landlords.
- Target houses of multiple occupancy (HMOs).
- Target empty and derelict commercial and domestic properties.
- Exploration of schemes to increase control over management of properties.
- Ensure a strategic approach to commuted sums is developed to divert resources to key sites within the renewal area.
- Consider key properties outside of the four phases but within the central Margate area where there is a high level of HMOs and private rented properties, such as Westbrook ward.

4. Tenure Diversification- impact assessment

4.1 Owner occupation has failed to deliver

Despite the interventions highlighted above there is little evidence that the tenure diversification strategy for Cliftonville is working. Anecdotally the polarisation is becoming worse as owner occupiers leave the area to escape the social problems associated with high levels of deprivation. The strength of the private rented sector has been further bolstered by the arrival of large numbers of migrants from Eastern Europe and other countries. According to the Margate Renewal Study almost two thirds of all migrant workers moving to Thanet during 2006/07 were from the 10 EU accession countries. (*Margate Renewal Study, p26*)

Aspirations that tenure diversification will be achieved through an increased demand for owner occupation for Cliftonville West now seem over optimistic. Effectively the market is unlikely to respond in the way that we had hoped and the prevailing social conditions in the area will continue to act as a deterrent to investors. Levels of home ownership continue to decline as properties continue to be converted to private rented sector accommodation. There are a number of reasons for this.

- The weak local economy means that there is a significant affordability gap for local people in the housing market. There is insufficient demand to create home ownership pressures in marginal areas such as these neighbourhoods. Across the district 11.4 times average household incomes is required to access average house prices. (*Annual Survey of Hours and Incomes 2007*). Income levels in Cliftonville are known to be significantly below the district average.
 - Rent levels supported by Local Housing Allowance are relatively high compared to capital property values providing a good return for larger investors in the private rented market.
 - The demographic profile of the area (see annex 2: Shared Intelligence report) is a deterrent to people re-locating here as home owners, as there is a perception of social problems and high crime levels.
 - The property types in the area lend themselves to either very large family homes or flatted accommodation. Flats are possibly less attractive to first time buyers when there is a reasonable supply of relatively cheap small terraced houses available in other parts of Thanet.
 - The supply of market housing for sale is reasonable for working households on good incomes in Thanet; therefore there are lots of opportunities to purchase elsewhere in areas perceived as being more desirable in Ramsgate, Broadstairs or the surrounding rural areas of the District.
- The level of resources available to intervene directly in the housing market to acquire the worst HMOs has been too small to make a significant difference. The Council has been able to use money provided by developers at other sites in lieu of a requirement to provide on site affordable housing, and commutes these monies to help RSLs acquire properties on site in the renewal area. However this is a very limited pot of money and only two HMOs have been acquired to date by this means. The slow down the housing market will further restrict such opportunities as housing development in other parts of the district decreases

4.2 The need for an alternative model to deliver tenure diversification

An alternative form of public intervention is required to achieve the desired re-modelling of the tenure structure in the renewal area. A model is emerging that seeks to use Registered Social Landlords (RSL) and affordable housing as a catalyst for change that will ultimately bring about a more balanced and sustainable neighbourhood. The model seeks an interim position in which poor quality private rented sector accommodation is converted to decent quality affordable housing or intermediate rented housing under the control and management of an RSL. When market conditions improve and the demand for home ownership improves a proportion of any stock acquired during this intervention will be transferred back into the market.

Restricting the supply of property available for the private rented sector over the next period should make the area less attractive to people moving from outside the area in search of cheap,

accessible rented accommodation. This will in turn stimulate the market for good quality rented accommodation and eventually create a demand for owner occupation.

The rationale for this approach is as follows:

- To focus any acquisition programme on phase one of the renewal programme area is the most deprived Super Output Area, with the typical Victorian built environment where the majority of HMOs and poor quality flatted accommodation is situated.
- That within the Phase one area, a programme is designed on a street by street basis but with some flexibility to take advantages of any opportunity that arises in other streets in the renewal area. E.g. purchasing a HMO that comes to the market outside the area of immediate focus
- The amount of privately rented properties including HMOs needs to be reduced in order to restrict opportunities for people to move into the area from outside Thanet while not displacing existing residents of the area or eliminating opportunities for local people to secure accommodation in this sector
- The control of properties by RSLs will improve standards of housing management and the management of anti social behaviour.
- There is control through local lettings policies that can be used to ensure a more balanced and sustainable mix of residents is achieved.
- RSL tenures will create greater stability in the local population with significantly reduced turn over of residents.
- Accommodation with appropriate support is provided for vulnerable households that already live in the area.
- Properties under RSL control will be maintained to a higher (Decent Homes) standard including a better physical appearance to the exterior.
- RSL properties should be pepper potted through out the renewal area to create maximum benefit in terms of physical uplift of the area and promote a sustainable balance of tenures.
- A balanced market structure remains the long term goal of this intervention and a long-term plan will see properties returned to the market. RSLs have access to a range of low cost home ownership products that could encourage tenants to take up opportunities for ownership or part ownership at the appropriate time.
- Receipts from the sale of affordable properties in the renewal area will be reinvested in providing new affordable housing elsewhere in Thanet to meet the demand for affordable housing as the stock decreases in Cliftonville.
- The renewal area becomes the central focus for new affordable housing investment in Thanet for the duration of the plan.
- There is an acceptance that opportunities for new affordable housing outside the renewal area will be limited for the duration of the plan.
- TDC will commit to supplement any investment by the Homes and Communities Agency or other public agencies by using planning gain from elsewhere in Thanet to invest in Cliftonville. i.e. take commuted sums from other sites to support the acquisition of properties in the renewal area.

It is estimated that there are around 1,000 private rented units in the phase one renewal area. Based on surveys of residents in the renewal area, it is estimated that around 25% of properties become available for re-letting each year. Given the need to allow for some movement within the sector each year to prevent people from becoming homeless and also the need for local people to access the private rented market, a programme that reduces the capacity of the sector by 110 properties a year over five years. This would result in this restricted area, with a private rented

sector of around 30% of the total tenure, a significant reduction but still three times the regional average,

5. Affordable Housing Models

Models of affordable housing available at present, include affordable rent, intermediate rent, shared ownership/shared equity, rent to homebuy, direct homebuy and other low cost home ownership products. Delivering home ownership provision on the renewal in the current market will be extremely difficult, therefore the focus must be mainly on rented housing for the duration of the plan, with close watch kept on the market to take opportunities to release shared ownership and owner occupied housing to the market at the appropriate time.

Traditional affordable housing funding may therefore not be flexible enough for this approach. The relatively new 'Rent to Homebuy' is the closest model to that required, however it could be restrictive in that the HCA funding requires the property to be purchased – in part at least- by the occupier within a specified period. This model therefore contains financial risk for the RSL that may not be currently acceptable.

This is an excellent opportunity to develop a pilot project that is fluid enough to meet the challenges of the macro and micro housing economy in low value or deprived areas. The type and size of housing stock within the area, dictates that there is little opportunity for new build, therefore the main focus must be purchase and repair, which will need a greater degree of funding initially, however all funding will be recycled back into affordable housing provision within the area through the disposal to owner occupation in the longer term.

For any tenure acquisition programme to be effective. a range of models is required, including those flexible enough to adapt as the market changes and the programme takes effect. This may include:

- Traditional RSL affordable rent – mainly purchase and repair
- RSL intermediate rent
- RSL Market rent that reverts to affordable rent/shared ownership/owner occupation after a flexible period
- Shared ownership with low initial equity purchase, possible below 25%, funded by the RSL to circumvent the difficulties faced by first time buyers accessing mortgages
- Rent to Homebuy with flexible time limit on future purchase

A Local Lettings Plan designed to encourage working households with aspirations of owner occupation will be developed for the area and all tenures will be advertised through Choice Based Lettings.

The Council currently works with an approved RSL development partner within the renewal area, However as the programme is significant and the proposed tenure models are outside of many RSLs standard development programme, an additional RSL has been sought that specialises in providing intermediate and market housing that can revert to affordable rent in the longer term. These RSLs will work together, in partnership with the Council to deliver the programme. This partnership arrangement will mitigate some of the financial risks association with RSL development and bring a wealth of expertise and experience of private and public housing development.

6. Tackling Deprivation – a coordinated multi agency approach

Any regeneration strategy designed to tackle the long term prospects of Cliftonville and central Margate through changing the nature of the housing market must also take account of the severe concentrations of deprivation that already exist in the area. There needs to be coordinated action with other agencies to tackle these issues simultaneously so as to lessen the adverse effect on the housing market and also to improve the quality of life and opportunities of existing residents. Although separate strategies and interventions will be designed to address the issues of social deprivation there must be coherent links with activities with a clearer housing focus.

Three key partnerships seek to ensure that there is a consistent and coordinated approach to both the housing and social elements

6.1 Neighbourhood Management approach

Responsibilities for “managing” the neighbourhood and tackling different manifestations deprivation is spread across a number of different agencies including:

Kent County Council

- Social care vulnerable adults
- Social care – families and children
- Education
- Highways
- Economic development

Thanet District Council

- Housing
- Community Safety
- Planning policy
- Community Cohesion
- Environmental protection/Public protection
- Street cleaning
- Economic Development

Primary Care Trust

- Access to health care

Kent Police

- Crime and community safety

A coordinated neighbourhood management approach is being developed at a senior management level by these agencies. It is anticipated that any new arrangements agreed through this approach will be in place later in 2009. The project is looking to learn from examples of best practice in neighbourhood management from elsewhere in the uk.

6.2 Triple Aim- Tackling Health Inequalities

Cliftonville west and Margate central have the worst health outcomes of any wards in Kent. Through the Triple Aim project all the major agencies have been brought together to coordinate

actions to help improve access to health care for residents of the area. Critically the project recognises influence that other factors, especially housing have on health outcomes. Using the Liverpool model, the partnership seeks to look at how access to health services can be improved in areas of high deprivation and explore how investment in housing can be targeted to improve health outcomes for residents

6.3 The Thanet Compact and Community Partnership agreement

The community and voluntary sector have a vital role to play in the delivery of services in the renewal area. The St Paul's Community Association provide a hub of services for local people and other agencies like Scrine work closely with the council and residents to provide housing advice. The Council has adopted a Voluntary Compact and Community Partnership Agreements setting out the support that will be provided to the voluntary sector. A significant part of the SSCF programme in the renewal area has been delivered voluntary sector organisations

7. Community Engagement

The support and involvement of residents is critical to the success of any regeneration project. The SSCF programme has been used to build capacity amongst residents groups in the renewal area and there now a robust structure of 10 street based community groups. There is a overarching Cliftonville Residents' Forums that coordinates the neighbourhood based community groups. Additionally the council has sought to support the PACT structure to provide another channel of communication and accountability to residents.

There has been extensive consultation with residents as part of the Housing Renewal Process and through the SSCF programme. Regular newsletters are produced for residents and a network of community champions has been appointed. More recently residents groups have worked closely with the council's planning department to develop area based planning policies to provide further controls over the housing market

Outline Financial Information

The two pilot schemes that have been developed to date were acquired in different ways, but funded identically. These examples demonstrate the additional levels of funding required for the type of intervention planned.

Example 1: Sweyne Road, Cliftonville

Background:

This empty HMO was for sale at £200,000 and had attracted interest from out of area landlords because the income potential was in excess of £2,340 per calendar month, based on Local Housing Allowance levels.

Planned approach

The Empty Property Officer worked with an RSL to negotiate a purchase price of £185,000. TCHG obtained planning approval for three, two bedroom flats and secured a local contractor to carry out the works.

Funding

The following table shows the scheme cost and funding streams used

Total scheme cost	£486,000
Land purchase (9 bed HMO)	£185,000
Scheme development cost (conversion to 3 flats)	£301,000
Funding	
RSL Private finance/borrowings against equity payment and rental income + RCGF	£321,000
National Affordable Housing Programme	£ 30,000
Thanet DC Regional Housing Board funding	£ 50,000
Thanet DC s106 Commuted Sums	£ 85,000
Total	£486,000
Unit cost - total development	£162,000
Unit Market Value at completion	£105,000

Outcome

Flats are currently being marketed for shared ownership.

Example 2: Eastern Esplanade, Cliftonville

Background:

This property had been empty and derelict for a number of years and was branded Margate's number one eyesore by the Civic Society. The property was infested with pigeons and subject to squatters and serious vandalism.

In 2006 Building Control Officers rendered the chimney stack unsafe and order the exterior to be scaffolded. A charge was put against the property to ensure the future recovery of the cost of the scaffolding.

Planned approach

The Empty Property Officer carried out an enforced sale of the property, and arranged for a back to back sale with an RSL. Planning approval was granted for four flats and a local contractor secured to carry out the works.

Funding

The following table shows the scheme cost and funding streams used

Total scheme cost	£623,302
Land purchase	£196,000
Scheme development cost (conversion to 4 flats)	£427,302
Funding	
RSL Private finance/borrowings against equity payment and rental income + RCGF	£443,302
National Affordable Housing Programme	£ 0
Thanet DC Regional Housing Board funding	£ 90,000
Thanet DC s106 Commuted Sums	£ 90,000
Total	£623,302
Unit cost - total development	£155,862
Unit Market Value at completion	£125,000

Outcome

All flats been sold for shared ownership.

Funding Requirements

As demonstrated above the RSL achieved an average of £109,000 borrowings per unit. This would clearly be subject to fluctuation depending on market conditions.

An average of £50,000 additional subsidy per unit was required in these cases, however the market values at completion demonstrate that both properties were bought before at the start of the credit crunch when values were considerable higher and the RSL made a substantial loss on both schemes. This demonstrates clearly that additional subsidy will be required to enable this scheme to work.

Based on the £50,000 subsidy per unit and the average loss per unit of £44,500, and the fact that RSL borrowings were based on higher property values, grant per units in excess of £100,000 will be needed. If the 110 units per annum over five years is used as a basis for grant requirement this would equate to a minimum of £55 million subsidy.

6. Action Plan

	Objective/ activity	Rationale	Actions	Lead	Resources	Timsecale
1	Promoting tenure diversification	The existing housing market is seriously unbalanced and is the underlying reason for high concentrations of deprivation in the area. There is a need to rebalance this market, utilising various schemes and increasing the future potential for owner occupation.	Reduce levels of private rented accommodation from 59% to 45% and increase future potential for owner occupation. Work with RSL partners and HCA to develop a targeted programme to acquire approximately 500 units of housing, specifically targeting HMOs and other poor quality housing using a flexible HCA branded financial model.	TDC- Amber Christou	HCA / RSL borrowings/ TDC Commuted Sums	2009 - 2014
2	Tough enforcement on poor quality landlords	Properties that are poorly managed and maintained blight neighbourhoods, help create anti social behaviour and deter home owners and others from investing in the area. Enforcement pressure on the worst landlords should encourage them to relinquish properties rather than make the improvements and investment required	Working with Police, Immigration Service Ward Councillors, Local Residents and other council departments, such as Planning and Housing Benefits to target the worst known landlords and properties, particularly HMOs. Use all available enforcement powers including CPO, and enforced sale where appropriate. Increase multi agency enforcement 'clean sweep' activity within Cliftonville and Margate. Introduce additional Mandatory licensing scheme for HMOs that fall outside of the standard HMO licensing scheme.	TDC- Tanya Wenham		

3	Support and encourage good quality landlords	The private rented sector will continue to be a central part of the housing market in the renewal area for many years to come. Good landlords that look after their properties and manage their tenants to reduce ASB can make a positive contribution to the regeneration of the area. This would include discretionary licensing and landlord accreditation schemes	Implement Landlord accreditation scheme, working with landlords to develop incentive package to encourage landlords to participate in scheme. Introduce discretionary licensing scheme.			
4	Develop planning policies that support the regeneration aspirations for the area	Many properties in the renewal area don't readily lend themselves to occupancy by single households. Flat conversions are the only practical and realistic option for some properties but we need to control the quality to ensure that they aren't only attractive to the private rented market. We also need clearer guidance on densities and property types on sites being demolished and redeveloped and a clearer policy on the open spaces at the rear of properties	Develop planning policy to regulate quality standards which will be incorporated into Local Development Framework. Develop planning policy to regulate densities for new build and refurbishment within the area.			
5	Interventions on key sites	There should be targeted actions and clear plans for problematic sites within the	Develop an Intervention Programme Cliftonville West with actions and timescales to tackle each site,			

		designated area. This might include plans to buy HMOs and old guest house/hotels, tackle empty properties and derelict sites. Introduce Empty Dwelling Management Orders to ensure good use and management of empty properties using Council housing management team.	including. 1. Identify and map sites, including residential, and commercial. 2. Identify required action/enforcement on each site 3. Carry out identified action/enforcement			
6	Protect the quality of the built environment	Many areas of the renewal area contain properties of a distinctive and attractive character that if situated in other parts of the south east would be considered highly desirable. We need to protect the character of this area in the hope that it will attract high earning households to relocate and invest in improving properties. Creating a conservation area would help to stimulate interest from prospective owner occupiers and will deter speculative landlords from investing in properties that have high maintenance costs and other restrictions	Work with English Heritage to carry out a Conservation Area Appraisal.		Appraisal complete Summer 2009	
7	Improve the environment	Areas characterised by high deprivation tend also to have high levels of environmental abuse- littering- fly tipping etc. Improved waste services backed by high levels of enforcement	Target refuse services and enforcement action across the council at this area. ????			

		and investment in amenity space and the street scene will help create an area in which households with higher incomes that are able to exercise choice will want to live				
8	Focus investment and interventions in core area	While a range of activities are involved in the renewal process there is a danger that resources will be spread too thinly to make an impact. It is reasonable to concentrate certain high profile interventions such as property acquisitions in a core area where certain property types and tenures prevail	Should this be amalgamated with others?			
9	Market Cliftonville as a place to live	The area competes with other areas in attracting owner occupiers to relocate- e.g. Ramsgate and Whitstable. There is a need to counter the negative media coverage linked to the dole by the sea label that has attached to Margate in recent years	Develop and implement a marketing strategy for Cliftonville in partnership with Locate in Kent, etc.			

Deprivation Rankings

Deprivation rankings out of 283 wards in Kent	Margate Central	Cliftonville West
Young offenders known to the Youth offending Service	43	1
Recorded Crime	1	9
Hospital admissions due to alcohol/drugs	1	2
Incapacity benefit claimants	1	2
Disability living Allowance claimants	2	4
Job seekers allowance claimants	3	2
Vulnerable Older people	1	2
All working ager benefits claimants	4	1
% of 16-18 year olds that are NEETS	5	16

Source KCC Supporting Independence Programme 2008

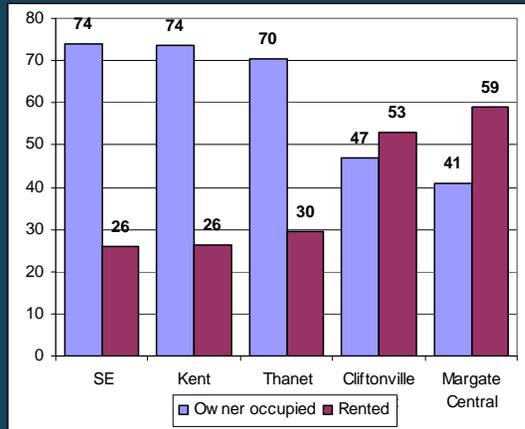


SOA Index of Multiple Deprivation Ranks (1=most deprived)

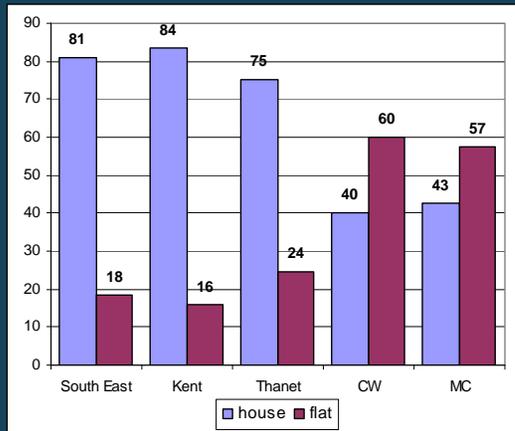
SOA	Thanet (of 84)		Kent (of 1047)		South East (of 5319)		England (of 32482)	
	2004	2007	2004	2007	2004	2007	2004	2007
North Margate Central	3	1	3	1	9	1	829	167
West Margate Central	1	2	1	2	1	2	357	192
North Cliftonville West	2	3	2	3	2	4	404	399
Central Cliftonville West	4	9	5	4	21	9	1416	631
East Cliftonville West	5	5	6	5	27	11	1777	670
West Cliftonville West	18	16	51	46	237	157	6046	4377
South Cliftonville West	20	22	63	77	269	271	6482	5979
South Margate Central	26	25	102	108	424	360	8311	7000



Housing Tenure



Property Profile

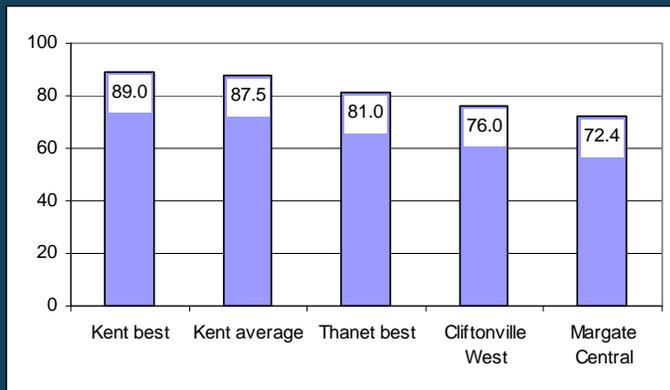


Crime

- Margate Central has the highest level of recorded crime in Kent
- Cliftonville is ranked 9th worst in Kent
- Crime reduction since April 2007
 - Thanet 13.5%
 - Cliftonville 3.5%



Health Inequalities- All age mortality



Transience

- 45% of households single person
- 6% of children in Cliftonville – Looked after
- Annual turn over of residents
 - Margate Central - 34%
 - Cliftonville West - 35%
 - Kent -12%

