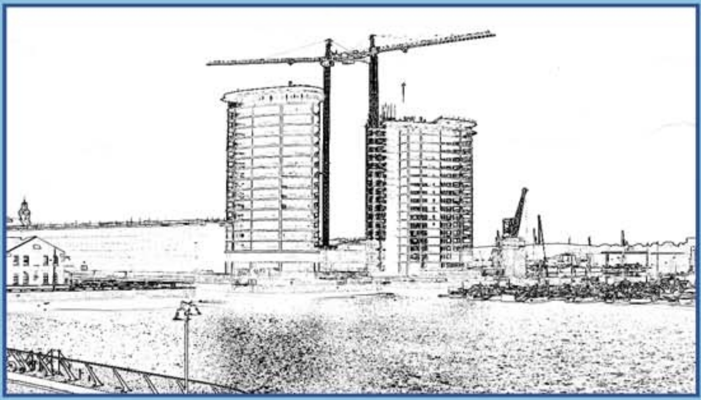

Local Development Framework
Medway

State of Medway Report
Housing

Updated January 2012

Medway Council
Serving You

State of Medway Report: Housing in Medway
January 2012

State of Medway Reports

This is one of a series of factual reports that were first produced in 2008 to inform the preparation of Medway's Local Development Framework or LDF. Each deals with a specific topic and draws together available information from a variety of sources.

The reports were intended to establish the current position and a baseline for further work. They also helped in highlighting gaps in the information base.

Each was updated in January 2012 to provide an updated baseline and inform the independent examination of the Medway Core Strategy.

To monitor progress being made on the LDF please regularly check our website at www.medway.gov.uk/ldf.

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1. Introduction

1.1 This report draws together data from a number of sources, based upon the requirements of PPS3 Housing, in order to paint a contemporary picture of housing in Medway today. After a short summary of the policy context the report deals with the existing housing supply and then household composition, the housing strategy, extra care housing needs and the housing market. It draws upon information in the 2001 Census, from the Land Registry, Medway's Property Price Report, 2008, Medway's Draft Housing Strategy, 2011, the North Kent Strategic Housing Market Assessment, 2010, Medway Affordable Housing Viability Study (Three Dragons), October 2009, Understanding the Housing Requirements of Students in Medway (OPS) Report – July 2010, Medway's Stock Condition Survey Final Report – February 2007, North Kent Strategic Housing Market Assessment Viability Study, 2010, Medway's Strategic Land Availability Report update, January 2012.

2. Policy Context

2.1 The Government's key housing policy goal is currently set out in Planning Policy Statement 3: Housing, and it is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. To achieve this it is seeking:

- To achieve a wide choice of high quality homes, both affordable and market housing to address the requirements of the community;
- To widen the opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need;
- To improve affordability across the housing market, including by increasing the supply of housing;
- To create sustainable, inclusive, mixed communities in all areas, both urban and rural. (Para. 9).

2.2 Paragraph 10 requires the planning system to deliver a sufficient quantity of housing, taking into account need and demand the need to seek to improve choice, in suitable, sustainable locations, on sites which make efficient and effective use of land, including the re-use of previously developed land.

2.3 Local development documents are required to be informed by robust evidence, in particular, of housing need and demand through a Strategic Housing Market Assessment and land availability, through a Strategic Housing Land Availability Assessment. (Para. 11).

2.4 PPS3 aims to achieve mixed communities through the provision of a variety of housing, particularly in terms of tenure and price, and a mix of different households such as families with children and single people and those with specific needs such as older and disabled people. (Para. 20).

2.5 Local planning authorities are required to set out the likely overall proportions of households that require market or affordable housing, the size and type of affordable housing required, and the likely profile of household types requiring market housing such as multi-persons, single persons and couples. (Para. 22).

2.6 The full range of market housing should be planned for, particularly taking into account of the need to deliver low-cost market housing as part of the housing mix. (Para. 26).

2.7 PPS3 recognises the importance of the existing housing stock and the contribution that can be made by the conversion of existing homes and the bringing into residential use of empty housing and other buildings. (Para. 31).

2.8 The Government has published its draft National Planning Policy Framework (NPPF). This seeks to ensure that it will become easier to increase new housing supply. The final version of the document is expected to be published in spring 2012. Its full scope and implications currently remain uncertain.

3. Housing Supply in Medway

Existing Dwellings

3.1 In March 2010 there were an estimated 108,623 dwellings in Medway around 3% (3,100) of which were in Council ownership.

Gypsy, Traveller and Showpeople Accommodation

3.2 The North Kent Gypsy and Traveller Study, 2006, carried out by consultants, DCA, identified 14 gypsy and traveller households accommodated on authorised sites in Medway. Medway also has an authorised site for travelling showpeople with a capacity of 29 caravans. The Medway Draft Core Strategy provides a criterion based policy approach to the provision of further gypsy, traveller and travelling showpeople accommodation. More detailed and site specific guidance will be set out in the Land Allocations and Development Management Development Plan Document (DPD).

Housing Requirement

3.3 Medway is required to provide for a total of 16,300 dwellings in the Adopted South East Plan.

3.4 The South East Plan covers the period 2006-2026. The annual housing requirement for Medway being 815 dwellings per annum. Despite the likely imminent abolition of the South East Plan (and all other Regional Spatial Strategies), the Council has chosen to retain this target figure. However, as the plan period has now been extended by 2 years to 2028 in order to ensure a 15 year land supply from the Core Strategy adoption date, the overall housing requirement has been increased to 17,930 dwellings.

Completions

3.5 Successive housing requirements have been set above previous trends in order to reduce out migration from Medway. Recent figures suggest that this may now be succeeding. ONS (Office for National Statistics) figures for 2010 show an in-migration figure of +500, which has resulted in the largest annual increase in Medway’s population since the 2001 census.

3.6 In both 2009 and 2010 Medway exceeded its annual housing delivery target figure. Even the latest figure for 2011 that identified a shortfall of just over 150 dwellings is considered very reasonable given the adverse economic environment nationally.

Table 1: Net Additional Dwellings 2007 to 2011

Year	Completions	Requirement	Surplus/Deficit
2007	591	815	-224
2008	761	815	-54
2009	914	815	+99
2010	972	815	+157
2011	657	815	-158
2007-2011	**3895**	**4075**	**-180**

Source: Medway Local Development Framework, Annual Monitoring Report Vol. 1: December 2011

3.7 The previous Government set a national target for at least 60% of housing completions to be on 'previously developed land'. With the emphasis on urban regeneration in Medway local performance has sometimes exceeded this target.

Table 2: Number of New and Converted Dwellings on Previously Developed Land (Net)

Year	Percent units on PDL	Units on PDL
2006/07	91%	538
2007/08	37%	408
2008/09	51%	524
2009/10	63%	622
2010/11	**49%**	**322**

Source: Medway Local Development Framework, Annual Monitoring Report Vol. 1: December 2011

Housing Supply Components

3.8 Housing supply components consist of:

- 3,895 units completed
- 285 units on small sites with planning permission
- 6,926 units on large sites with planning permission
- 396 units that are Medway Local Plan 2003 allocations
- 9,416 units from Strategic Land Availability Assessment (SLAA) sites

3.9 Taken together, the housing supply figure identified gives a potential total provision figure of 20,918 dwellings, whereas, the Draft Core Strategy requires provision for only at least 17,930 new homes between 2006-2028. Consequently, a potential surplus supply figure of 2,988 dwellings has been identified.

Density

3.10 The table below illustrates that for the past five years the average net density is well over the previous national minimum requirement of 30 units per hectare for large and windfall permissions. This can be attributed to the many urban sites suited to higher densities.

Table 3: Average Net Density of Full Permissions Each Year (Large and Windfall Sites Only)

Year	Total dwellings	No of permissions	Net developable area	**Average net density**
2006/07	5009	62	74.09	**68**
2007/08	1196	52	26.21	**46**
2008/09	1089	45	12.34	**88**
2009/10	1721	25	37.23	**46**
2010/11	1078	40	18.29	**59**

Source: Medway Local Development Framework, Annual Monitoring Report Vol. 2: December 2011

4. Household Composition

4.1 At the time of the 2001 census, Medway had a lower proportion of pensioner and single person households than England and Wales but a higher proportion of couples without children, couples with dependent children and all households with dependent children.

Table 4: Household Composition

	All	**Pensioner**	**Single Person**	**Couples with no children**	**Couples with Dep. Children**	**Total with Dep. Children**
England &Wales	21,660,475	5,157,862 23.8%	6,502,612 30.0%	3,838,056 17.7%	4,504,255 20.8%	6,262,545 28.9%
Medway	99,566	19773 19.8%	26,879 27.0%	18,615 18.7%	24,636 24.7%	33,603 33.7%

Source: 2001 Census Crown Copyright Table KS20

Notes **The figures in the above table are total households and not people.**
Some households have been included in more than one category, and so should not be totaled, in order to avoid double counting.

4.2 In 2010, in all the following age categories; 0-9, 10-19, 30-39 and 40-49 Medway's population was higher than both the national and South-East averages. By contrast, for the 60-69, 70-79, 80-89 and 90+ age categories, Medway had lower than average figures in comparison to the national and South-East averages. The difference was particularly noticeable in the 90+ age group.

Table 5: Population By Age Group (2010)

	0 to 9	10 to 19	20 to 29	30 to 39	40 to 49	50 to 59	60 to 69	70 to 79	80 to 89	90+
Medway (no,s 000's)	32.1	33.9	34.9	33.5	39.5	31.2	26.6	16.0	7.6	1.3
Medway (%)	12.5	13.2	13.6	13.1	15.4	12.2	10.4	6.2	3.0	0.5
South East (%)	11.7	12.3	12.3	12.7	15.1	12.3	11.1	7.3	4.2	0.9
England & Wales (%)	11.8	12.0	13.7	13.0	14.8	12.1	10.8	7.2	3.9	0.8

Source: 2011 AMR

Tenure

4.3 Medway's housing stock is not typical of the regional or national average. It has a large proportion of owner occupied properties, and as a consequence the rented sector is smaller but has shown signs of increasing since the previous Census (22.0% to 24.2%). Some of this increase is likely to be due to the buy to rent market.

Table 6: Housing tenure

	Medway	**South East**	**England and Wales**
Total of owner occupied	**75,427** **75.8 %**	**2,431,459** **74.0 %**	**14,916,465** **68.7 %**
Local Authority rented	4,263 4.3 %	241,767 7.4 %	2,868,529 13.2 %
Housing Associations/Registered Social Landlord rented	9.107 9.1 %	217,198 6.6 %	1,288,722 5.9 %
Private sector rented	8,080 8.1 %	288,190 8.8 %	1,888,696 8.7 %
Other rented	2,689 2.7 %	108,875 3.3 %	698,063 3.2 %
Total of rented households	**24,139** **24.2 %**	**856,021** **26.0 %**	**6,744,010** **31.1 %**

2001 Census Crown copyright Table KS 18

4.4 The limited rented property - only 70% of the national average live in LA/HA housing - and the lower sized private sector rented sector implies a restricted choice in comparison with other areas as shown by the table above.

Type of Dwellings

4.5 The number of terraced houses is significantly above average and the number of flats limited. However, the proportion of flats in Medway rose from 11.2% in 1991 to 13.4% in 2001. The trend towards a greater component of flats in the overall supply is expected to be confirmed once the results of the 2011 census are published.

Table 7: Type of housing – household spaces (unshared dwellings)

	Medway %	South East %	England %
Total in an unshared dwelling	102,500 (100%)	3,388,675 (100%)	21,185,294 (100%)
Detached	14,308 14%	996,140 29.4%	4,786,456 22.6%
Semi Detached	31,003 30.2%	967,850 28.6%	6,713,183 31.7%
Terraced	43,265 42.2%	786,473 23.2%	5,494,033 25.9%
Flats	12,294 12.6%	614,581 18.1%	4,102,704 19.4%
Other	1,000 1%	23,631 0.7%	88,918 0.4%

Source: Census Crown copyright Table UV56 (ONS updated 2004)

Age of Housing Stock

4.6 The age of the housing stock shows that 22.58% was constructed before 1919, with 13.62% built between the wars and the majority, 63.80% built since 1945. Thus, 36.20% of properties were built before 1945.

Table 8: Distribution of Dwellings by Construction Date (%)

	Pre-1850	1850-1899	1900-1918	1919-1944	1945-1964	1965-1975	1976-1981	Post 1981
	%	%	%	%	%	%	%	%
Medway	0.68	10.36	11.54	13.62	24.30	14.56	8.19	16.75

Source: Medway Housing Stock Condition Survey, 2006/7.

4.7 The English House Condition Survey of 2001 reports that, nationally, 21% of houses were built before 1919 and 39% before 1945. On this basis the housing stock in Medway is not too dissimilar to the national position. Overall Medway shows an age profile broadly consistent with that of the region and England as a whole, although there are slightly more pre-1919 dwellings and slightly less of the most recently built.

4.8 Across Medway there is some variation in the age distribution of dwellings. The housing stock is broadly younger in Rainham and the rural areas, whilst the oldest housing is to be found in the Gillingham area. This has implications for housing conditions, as the worst are associated with the oldest dwellings.

4.9 So given that the stock contains a significant proportion of older housing, energy efficiency is a particularly important issue. The Energy Savings Advice Centre gave energy efficiency advice to 8,391 people between 2008-11.

4.10 The Housing Stock Condition Survey highlighted that nearly 20% of homes failed the Decent Homes Standard, the majority doing so due to excess cold.

4.11 Stock condition surveys have been undertaken on 88% of properties owned by the Council, from which it has been calculated that an investment requirement of £175.1 million is needed over the next 30 years, of which £36.4 million is required within the first five years of the plan.

Household Size

4.12 With an average of 2.48 persons, Medway's household size is larger than the South East or England and Wales overall.

Table 9: Average Household Size

Area	All Householders	Average Household Size	Average no. Rooms per Household
England & Wales	21,660,475	2.36	5.34
South East	3,287,489	2.38	5.57
Medway	99,566	2.48	5.33

Source: 2001 Census Crown Copyright Table KS19

House Prices

4.13 It is important to appreciate that the pressures on the Medway housing market arise in part from housing market change at the sub-regional and regional level. Thus while Medway has experienced more modest population and household growth than many areas of the South East, demand for housing in Medway has been increasing precisely because it has been relatively more affordable than surrounding areas.

4.14 The Land Registry maintains a House Price Index, which is a data set of completed sales.

Table 10: Average Property Prices in Medway 2007-2011							
	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11	2007-10 % change	20010-11 % change
Medway	£157,400	£163,200	£134,900	£140,900	£138,500	-12.0	-1.7
Kent	£196,700	£207,500	£172,300	£183,700	£182,500	-7.2	-0.7
South East	£219,200	£227,900	£186,900	£208,700	£206,800	-5.7	-0.9
England & Wales	£178,900	£184,000	£153,100	£165,300	£161,700	-9.6	-2.2

Source: Medway Local Development Framework, Annual Monitoring Report (AMR) Vol. 1: December 2011

Table 11: Average Property Prices by Type, June 2011

	Medway	**Kent**	**South East**	**Eng & Wales**
Flats/Maisonettes	£98,993	£108,440	£127,873	£150,602
Terraced	£118,360	£143,665	£161,486	£122,720
Semi-detached	£166,328	£185,912	£204,800	£153,160
Detached	£277,841	£318,947	£360,212	£257,010

Source: Crown copyright Land Registry Property Prices June 2011

4.15 Average property prices fell back slightly in Medway during 2010/2011 but remained above the level in 2009. Property prices in Medway remain considerably lower than the national, regional and Kent level, with Medway seeing a larger drop in prices since 2007. However, in considering the average cost by type of property, whilst this still holds good for Kent and the South East, average prices for semi-detached and detached dwellings are higher than for England and Wales.

Deprivation

4.16 Medway is ranked within the 41% most deprived boroughs nationally in ID 2010 (132/325), a slight decline from ID 2007, when Medway was within the 43% most deprived, indicating that Medway is now relatively more deprived. (http://www.medway.gov.uk/pdf/Indices%20of%20Deprivation%202010.pdf).

4.17 In ID 2010, eight SOA's (Super Output Areas) are ranked in the 10% most deprived nationally and 23 SOAs are ranked in the 20% most deprived. Of the eight SOAs in the most deprived 10% nationally, three are in Gillingham North, two are in Chatham Central, two are in Luton & Wayfield and one is in River ward.

Fuel Poverty

4.18 The Medway Fuel Poverty and Home Energy Conservation Strategy, 2008-2011 noted that the Stock Condition Survey 2007 highlighted a number of key points that affect fuel poverty and home energy conservation in Medway:

- 31% of the properties surveyed as part of the survey contained the hazard of excess cold.
- 23% of the housing stock in Medway was built before 1918. Older properties are harder to heat and the occupants are more likely to be in fuel poverty.
- 12,343 of the properties in Medway had a SAP rating of less than 40. The maximum SAP rating is 125, and the lower the rating the less energy efficient a property is. (SAP is the Government's Standard Assessment Procedure for Energy Rating of Dwellings).
- 8% of Medway households had no form of central heating.

4.19 Medway's Housing Stock Condition Survey in 2007 highlighted that the average SAP rating for Medway (56) was higher than the national average of 51.8 (taken from the English House Condition Survey update report 2004). The energy efficiency of a property is an important factor in both home energy conservation and fuel poverty. With 12,343 properties having a SAP rating of less than 40 the poor energy efficiency of some properties in Medway will have two main impacts:

- The emissions released due to inefficient use of energy
- Occupants are more vulnerable to fuel poverty.

4.20 Energy inefficient properties are more expensive to heat adequately therefore, household income is also an important factor to consider in determining what impact fuel poverty is having on the residents of Medway.

Access to Facilities

4.21 In 2001, Medway had a slightly smaller proportion of households than the South East and England and Wales, with central heating and sole use of bath/shower and toilet. However, it also had a slightly lower proportion of households without those amenities and a slightly higher proportion without central heating but with sole use of the other amenities.

Table 12: Household Amenities

	Households with central heating and sole use of bath/shower and toilet %	Households without central heating or sole use of bath/shower and toilet %	Households without central heating with sole use of bath/shower and toilet %	Households with central heating without sole use of bath/shower and toilet %
England and Wales	91.2	0.16	8.31	0.32
South East	93.6	0.14	5.96	0.34
Medway	90.3	0.13	9.18	0.34

Source: 2001 Census Crown Copyright Table KS 19

5. Housing Strategy

5.1 Key facts and findings from the 'Medway Draft Housing Strategy 2011-14: Housing for a Better Tomorrow (July 2011)' are listed immediately below:

Housing Register

5.2 In June 2011, 9,912 households had asked to be placed on the Housing Register. Households have their housing situation assessed and a suitable priority awarded. There are currently 1,066 households identified as having urgent or high housing needs and of these, nearly 90 are homeless households in Temporary Accommodation and 200 are living in overcrowded accommodation.

Homelessness and Temporary Accommodation

5.3 Between 2008 and the end of March 2011, homeless applications had decreased by 36% with 1,068 being made over the whole period. Whereas by the end of March 2011 the number of households in temporary accommodation had been reduced to 102 (a 36% reduction over this period). Of the people that were accepted as homeless in 2010-11, 38% were aged 16-24.

5.4 In April 2009 the Supported Housing Gateway system was set up, which has since placed 1,903 vulnerable people in supported accommodation or provided them with floating support. A Medway Landlord Accreditation scheme has also been developed with over 200 landlords signed up. In addition, the New HomeBond scheme has been developed, which assisted 231 people in 2010-11. This is a bond between the Council and landlord/agent that they may claim against if the tenant leaves the property in a state of disrepair.

Independent Living

5.5 The Council seeks to improve and maintain independence and inclusion by providing effective support. Key achievements for 2008-11 included:

- The Home Improvement Agency (run in partnership between the Council and Hyde in Touch) dealt with 5,491 enquiries and completed 3,162 jobs to help people remain living independently in their own homes;
- The first 60 unit extra care scheme is now under construction on the Victory Pier site in Gillingham with completion expected in the early summer of 2012;
- 8 units of specially designed supported housing for clients with Autism were delivered;
- 6 units of specially designed supported housing for clients with a Learning Disability have been delivered; and
- 445 vulnerable people assisted to adapt their properties with the help of a Disabled Facilities Grant.

5.6 The Strategy aims to deliver 10 fully wheelchair compliant homes per year, as well as 9 homes specifically designed for clients with learning difficulties.

Affordable Housing

5.7 In Medway, there are 16,328 affordable homes 3,056 of which are owned by the Council. Housing Associations own 13,272, with the majority being owned by mhs Homes (47%).

5.8 Medway has a strong track record of delivering affordable housing, which has continued despite the downturn in the market. These affordable homes not only leveraged in large amounts of private finance toward the delivery of affordable housing but also have enabled many regeneration sites to continue delivering units during the market downturn.

5.9 Key achievements for 2008-11 included: 1,091 new affordable homes built in Medway, a total investment in new affordable housing of over £129m, all new affordable homes achieved Code for Sustainable Homes Level 3 (and some achieved Level 4), 34 households housed on the home ownership ladder, 454 empty properties brought back into use and 50 empty properties brought back into use as affordable housing through the Council's Purchase and Repair Scheme.

5.10 The Council has supported firm bids that if successful would deliver an additional 562 affordable units over the next 4 years. In addition to this, previously allocated funding (2008-11 National Affordable Housing Programme) is due to deliver 443 affordable units over the current 2011-15 NAHP. Almost all of the units are currently under construction and will be delivered in the next couple of years. It has identified a further 325 affordable homes that have the potential to be delivered over the 2011-15 period without funding from the 2008-11 programme or have not been included in bids in the 2011-15 programme.

Rural Housing Needs

5.11 The Council has worked in partnership with Action for Communities (ACRK) to undertake an assessment of the housing needs of households in Medway's rural parishes. These assessments were carried out in 2009.

5.12 The Department for Communities and Local Government (CLG) collects and publishes annual data returns that have been provided by local authorities in England. The Housing Strategy Statistical Appendix (HSSA) data returns are published on its website: www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/localauthorityhousing/dataforms/hssabpsa1011/hssadatareturns1011/

5.13 The key findings taken from the latest HSSA data returns for 2010/2011 are set out immediately below:

Vacant Dwellings

Table 13: Total Number of Dwellings and Vacant Dwellings by Kent Authority

Authority	Total Number of Dwellings	**Number of Vacant Dwellings**
Ashford	50,143	1,338
Canterbury	63,975	482
Dartford	40,902	1,277
Dover	50,130	1,914
Gravesham	41,510	1,039
Maidstone	64,186	1,652
Medway	**110,371**	**3,106**
Sevenoaks	48,560	778
Shepway	48,434	730

Swale	59,539	842
Tonbridge & Malling	49,737	1,065
Tunbridge Wells	47,563	1,293

Source: HSSA Data Returns for 2010/2011

- Total number of dwellings within Medway = 110,371 (including 3,046 local authority owned & 304 other public sector)
- Total number of vacant dwellings within Medway = 3,106 (including 60 local authority & 6 other public sector properties)
- Total number of private sector dwellings within Medway that have been vacant for more than six months = 1,297
- Total number of households on the Council's housing waiting list = 10,391; of which require:
  - 1 bedroom = 5,413
  - 2 bedroom = 3,278
  - 3 bedroom = 1,341
  - More than 3 bedrooms = 359

Empty Homes

5.14 The aims of the Draft Housing Strategy include seeking to bring 100 empty homes back into use per annum and maintaining the number of long-term private sector empty homes below 1.6% of all private housing stock.

Housing Lettings

5.15 There were 4,940 households on the Council's housing waiting list in a reasonable preference category.

5.16 Lettings, nominations & mobility schemes resulted in the following;
- 84 dwellings let to existing tenants of Medway Council
- 7 dwellings let to existing tenants of another local authority
- 67 dwellings let to existing tenants of Housing Associations (HA's)
- Total = 158 dwellings, of which, 20 tenants had moved from outside of the local authority area
- 4 dwellings let to new tenants on secure tenancies
- 129 dwellings let to new tenants on introductory tenancies
- 13 dwellings let through mutual exchanges
- Total sum of dwellings let = 304 (of which 240 were general needs housing and 64 were within supported housing).
- 181 tenancies were converted to a secure tenancy
- 396 Housing Association dwellings were let to households in response to nominations from Medway Council

- 442 other social landlord dwellings (not HA) let to households in response to nominations from Medway Council
- 19 dwellings let by Medway Council to homeless acceptances as settled accommodation
- 24 dwellings held by a HA let to homeless acceptances following a nomination by Medway Council
- 25 dwellings held by another social landlord (not HA) let to homeless acceptances on a secure introductory tenancy following a nomination by Medway Council.
- 7 dwellings held by a private landlord let to homeless acceptances accepted as an assured tenancy, and 4 more on a assured shorthold tenancy

Houses in Multiple Occupation (HMO's)

5.17 There were found to be 324 verifiable houses in multiple occupation (HMO's). Whilst the estimated total number of HMO's including the verifiable HMO's was 350.

Housing Revenue & Expenditure

5.18 The following financial details illustrate current and proposed spending levels in relation to housing revenue:

Housing Capital Expenditure (Housing Revenue Account)
- 2010/11 outturn = 2,597 (£ thousand)
- 2011/12 planned = 6,203 (£ thousand)
- 2012/13 proposed = 5,225 (£ thousand)
- 2013/14 proposed = 5,223 (£ thousand)

All Other Housing Expenditure
- 2010/11 outturn = 2,705 (£ thousand)
- 2011/12 planned = 1,700 (£ thousand)
- 2012/13 proposed = 1,232 (£ thousand)
- 2013/14 proposed = 1,232 (£ thousand)

Total Housing Capital Expenditure
- 2010/11 outturn = 5,302 (£ thousand)
- 2011/12 planned = 7,903 (£ thousand)
- 2012/13 proposed = 6,457 (£ thousand)
- 2013/14 proposed = 6,455 (£ thousand)

Total Capital Grants
- 2010/11 outturn = 2,004 (£ thousand)
- 2011/12 planned = 1,207 (£ thousand)
- 2012/13 proposed = 739 (£ thousand)
- 2013/14 proposed = 739 (£ thousand)

Total Useable Capital Receipts
- o 2010/11 outturn = 701 (£ thousand)
- o 2011/12 planned = 3,383 (£ thousand)
- o 2012/13 proposed = 493 (£ thousand)
- o 2013/14 proposed = 493 (£ thousand)

Total Contributions from Revenue
- o 2010/11 outturn = 1,862 (£ thousand)
- o 2011/12 planned = 3,313 (£ thousand)
- o 2012/13 proposed = 5,225 (£ thousand)
- o 2013/14 proposed = 4,878 (£ thousand)

Total Number of Private Sector Renewal Grants
- o 2010/11 = 169 completed
- o 2011/12 = 45 planned
- o 2012/13 = 45 proposed

Total of Private Sector Renewal Assistance
- o 2010/11 outturn = 518 (£ thousand)
- o 2011/12 planned = 91 (£ thousand)
- o 2012/13 proposed = 90 (£ thousand)

Total Number of Private Sector Renewal Loans made by Medway Council, or facilitated by the Council but made by third parties who are sponsored by the Council
- o 2010/11 outturn = 66
- o 2011/12 planned = 69
- o 2012/13 proposed = 45

Total Expenditure on Private Sector Renewal Loans and Local Authority Contributions to Third Parties
- o 2010/11 outturn = 651 (£ thousand)
- o 2011/12 planned = 454 (£ thousand)
- o 2012/13 proposed = 300 (£ thousand)

Renewal Activity (2010-2011)
- o Owner Occupied = 229 dwellings improved
- o LA Expenditure on Grants = 518 (£ thousand)
- o LA Expenditure on Loans and Other Assistance = 563 (£ thousand)

Total number of dwellings improved (2010-2011) = 235
LA Expenditure on Grants = 650 (£ thousand)

Decent Home Activity (2010-2011)
- o Total Number of Dwellings Improved = 378 (vulnerable)
- o Total Number of Dwellings Improved = 27 (non-vulnerable)

Provision of Affordable Housing (2010-2011)

5.19 There were 9 additional affordable housing dwellings provided in settlements with populations of 3,000 or less.

Housing Association: Social Rented

- Number of units granted planning permission = 64
- Number of units completed = 96
- Developer Contribution and NAHP [National Affordable Housing Programme] (only) = 96

Housing Association: Shared Ownership

- Number of units granted planning permission = 49
- Number of units completed = 31
- Developer Contribution and NAHP (only) = 21
- Mixed funding = 10

Total Affordable Housing Provision

- Total number of units granted planning permission = 113
- Number of units completed = 136
- Developer Contribution and NAHP (only) = 126
- Mixed funding = 10

6. Medway Extra Care Housing Needs

6.1 The Medway Extra Care Housing Needs Analysis Report (July 2011) was produced by the Institute of Public Care at Oxford Brookes University to support a bid by Medway Council and Registered Provider partners to the Homes and Communities agency (HCA) for funding for the development of a number of extra care housing schemes.

6.2 Currently, there is no fixed definition of extra care housing (ECH). However, there is a broad consensus that extra care housing should provide a fully accessible home for life for older people, meeting both their accommodation and care needs: the provision of access to flexible 24-hour care is a key component of extra care housing. It therefore has the potential to provide an alternative to residential care for older people who can no longer be cared for in their own homes.

6.3 Medway plans to work to an ECH model which will allocate accommodation on the basis of one third to residents having low or no care needs, one third to residents needing around six to seven hours of care per week and the final one third to residents with high care needs equivalent to residential care. The creation of mixed communities of both active and frail older people, and housing with different types of tenancies, has been identified as desirable by the Department of Health's Housing Learning and Improvement Network. Extra care housing can include a range of housing types such as groups of bungalows, flats, and care villages, each providing security of tenure.

6.4 As a housing-based model of care, ECH encompasses principles such as independence, choice, empowerment, and participation. It is promoted by central Government as part of its vision for improving older people's quality of life, housing, health and social care.

6.5 The report looks at the likely need for extra care housing, the current supply of specialist housing for older people, and presents an estimate of the need for new extra care housing in Medway. Key findings from the report that have implications in terms of future housing provision are detailed immediately below:

Older Population Projections

6.6 The older population in Medway is increasing, with the numbers of people aged 65 and over projected to increase from 36,000 to 46,100 or 28% in the next ten years. The numbers aged 85 and over are projected to increase by 38% in the next 10 years, and more than double in the next 20 years.

Table 14: Population aged 65 and over, projected to 2030

	2010	**2015**	**2020**	**2025**	**2030**
People aged 65-74	20,200	23,900	25,000	25,000	28,300
People aged 75-84	13,600	13,200	15,300	18,500	19,600
People aged 85 and over	4,200	4,800	5,800	7,400	9,200
Total population 65 and over	**36,000**	**41,900**	**46,100**	**50,900**	**57,100**

Figures may not sum due to rounding
Source: POPPI (Projecting Older People Population Information System)

6.7 As indicated in the above Table, the numbers of people aged 85 and over are projected to increase from 4,200 in 2010 to 5,800 in 2020 and to 9,200 in 2030. This represents an increase of 38% in the next 10 years, and more than a doubling in the next 20 years.

6.8 The number of older people aged 75 and over who live alone is projected to increase by more than 28%

6.9 Many people with learning disabilities have no need for extra care housing. However, due to overall increases in life expectancy, there is projected to be a steadily increasing number of older people with learning disabilities in Medway over the next 20 years. Many of these people will have been cared for by their parents. As they approach old age, their parents may no longer be able to care for them, and extra care housing provides a positive alternative to a residential placement for this group.

6.10 The health of people in Medway is generally worse than the average for England. Although early deaths from cancer, heart disease and stroke, and deaths from all causes, are falling, these remain higher than the national average (Health profile, 2010).

6.11 A projected 2,437 people aged 85 and over have a long-term limiting illness in Medway.

6.12 People with long-term limiting illness who live alone are particularly vulnerable. Evidence indicates that the number of people aged 85 and over who live alone with a long-term limiting illness is projected to increase from 1,529 to 2,111 between 2010 and 2020, an increase of over 38%.

6.13 As extra care housing is designed to meet Lifetime Homes standards, it can provide a fully accessible home to people with mobility difficulties, who might otherwise move into residential care when they can no longer move around their home. While adaptations may enable some people to remain in their own homes, appropriate adaptations are not always feasible or affordable.

6.14 The number of people aged 85 and over, unable to manage activities such as getting to the toilet, or getting up and down stairs, is projected to increase from nearly 2,000 in 2010 to over 2,600 in 2020, and over 4,000 in 2030.

6.15 The projected number of people aged 85 and over unable to manage at least one self-care activity, such as washing or dressing themselves will increase from 2,883 in 2010 to 3,860 in 2020 and 5,957 in 2030.

6.16 The number of people aged 85 and over who are unable to manage at least one domestic task, such as vacuuming and household shopping is projected to increase from over 3,300 in 2010 to over 4,500 in 2020 and over 7,000 in 2030.

6.17 There is a projected increase of 34% in the number of older people with dementia in Medway from 2,364 to 3,176 between 2010 and 2020, and of 87% between 2010 and 2030.

6.18 There are a projected 1,379 people aged 65 and over currently providing 50 or more hours of unpaid care per week. This figure is projected to rise to 1,754 by 2020 and 2,122 by 2030.

Living Independently

6.19 A total of 2,762 older people were helped to live independently and 2,227 received community-based services in Medway in 2009-2010. Of these, a total of 1,280 received home care, of whom, 540 people received intensive home care services (ie more than 10 hours and more than 6 or more visits a week). In addition, an estimated 633 people aged 65 and over funded their own home care (NMDF Study)

6.20 From RAP (Referrals, Assessments & Packages) data, 515 older people received a day care service, 230 received a meals service, 175 received one or more telecare services from adult social care exclusively or in partnership with another agency, and 217 older people received either a direct payment or had a personal budget in 2009-2010.

Sheltered Housing

6.21 There are a total of 1,442 affordable sheltered housing units of accommodation in Medway, of which 573 are described as bedsit or studio apartments.

6.22 According to the Elderly Accommodation Counsel, there are 78 sheltered housing schemes in Medway of which 12 provide leasehold or shared ownership options. The Medway housing needs survey in 2006 stated that there were 727 sheltered housing units in the private sector.

Care Homes

6.23 There are 85 care homes providing services to older people and people with dementia in Medway according to the Care Quality Commission (CQC) Care Directory (of which 24 provide care homes with nursing care), providing an estimated 1,124 care home places for older people in Medway.

6.24 In 2009-2010, 289 people aged 65 and over were admitted to permanent residential or nursing care purchased or provided by Medway, and a total of 704 older people were in permanent residential or nursing care purchased or provided by Medway. Based on CQC data obtained for NMDF (National market development Forum) study of self-funders in 2010, at 30.3.09, there were an estimated 359 self-funders in care homes in Medway.

Extra Care Provision Locations

6.25 There is currently no extra care housing provision in Medway, although there are a number of schemes on site and in the pipeline. Medway has a target of 300 new units of affordable extra care housing over the two years to 2012. These are predominantly being delivered using S.106 Agreements with funding from the Homes and Communities Agency (HCA) and include:

- o Berkeley First and Housing 21 Extra Care Scheme. This 60 unit (social rented) scheme is currently under construction on the Victory Pier site in Gillingham with completion expected in the early summer of 2012;
- o Rochester Riverside Extra Care Scheme to be provided by Hyde – 41 units (social rented). Construction started in 2011.
- o Liberty Park Extra Care Scheme to be provided by Crest – 56 units (social rented).
- o The former Horsted college site to be provided by Countryside Properties. 40 units (tenure mix not yet determined).

6.36 The master plan and planning brief for the new settlement at Lodge Hill also contain a requirement for a minimum of one extra care scheme.

6.27 The Extra Care Needs Analysis indicates a need for between 445 and 553 units of extra care housing to match the requirements of the current older population for both social/affordable rent, leasehold and shared ownership extra care housing. By 2020, this need is likely to have increased to a minimum of 527 units.

7. Medway's Housing Market

The Medway Housing Market Area

7.1 In a report by DTZ to inform the SE Plan, "Identifying the Local Housing Markets of South East England Part C: Analysis and Initial Hypothesis[1] it was found that generally it would be expected that a local housing market would incorporate a larger area than just a single local authority area. The broad definition of a local housing market is one where roughly 70% of household movements remain within the same housing market. Very few of the districts in the region approach an equivalent level of self-containment with the average level for districts in the region closer to 50%. Even so there are a number of districts where levels of self-containment are fairly high (a level above 60%). In particular there are a number of highly self-contained housing markets in the north and east of Kent.

7.2 In June 2005, DTZ Pieda Consulting carried out a housing market assessment on behalf of Medway Council. In work for the South East England Regional Assembly and Regional Housing Board, it had already concluded that a North Kent sub-regional housing market exists which embraces Medway, Gravesham, Dartford and Swale, based upon evidence of district household and travel to work patterns in the area.

7.3 Within this market area, DTZ identified Medway as having a highly self-contained local market, exhibiting limited connectivity to its surrounding

[1] http://www.southeast-ra.gov.uk/documents/housing/dtz-part_c.pdf

districts. The majority (66%) of residents of Medway who moved in the year preceding Census Day, 2001, relocated within the Borough, a pattern that also occurred across north and east Kent. In these areas, housing markets correspond more closely to local authority boundaries than in the rest of the South East.

7.4 A North Kent Strategic Housing Market Assessment (SHMA) has since been produced in 2010 by ORS Consultants. It is consistent with the approach taken by DTZ Pieda. The Assessment identified that Gillingham, Rochester and Medway had 50-65% self-containment. Typically, housing sub-markets are considered to be areas with at least 65% self-containment. The analysis identified that there are three substantial sub-markets covering most of the North Kent area. These being Dartford and Gravesham to the west, Medway in the centre and Sittingbourne to the east. These findings are broadly in line with those obtained by DTZ in their 2004 housing market area study.

7.5 The 2010 SHMA found that between 2002-2007, London supplied a net 23,840 in-migrants to the sub-region. Whereas the neighbouring authorities of Canterbury, Maidstone and Tonbridge & Malling were the largest recipients of migrants from North Kent. The migration flow depicted can be summarised as London to North Kent to neighbouring east and west Kent authorities.

7.6 ORS noted that Medway's high amount of in-migration from London didn't result in a positive increase in migration numbers due to the higher proportion of people moving out of the Borough to the rest of the South East.

7.7 The SHMA identified 4 different scenarios in relation to the size and mix of housing requirement.

Table 15: Scenario 1 - Size Mix Requirement by Local Authority and Housing Sub-market (Long Term Trend Prices and 4.9% rental yield)

Market Housing:	
1 bedroom	1,450
2 bedrooms	3,300
3 bedrooms	6,350
4 bedrooms	1,200
5+ bedrooms	150
Sub-total	12,500
Intermediate Affordable Housing:	

1 bedroom	-
2 bedrooms	-
3 bedrooms	-
4 bedrooms	-
5+ bedrooms	-
Sub-total	0
Social Rented Housing:	
1 bedroom	1,550
2 bedrooms	900
3 bedrooms	800
4 bedrooms	100
5+ bedrooms	-
Sub-total	3,300
All Housing:	
1 bedroom	3,000
2 bedrooms	4,250
3 bedrooms	7,150
4 bedrooms	1,300
5+ bedrooms	200
Total	**15,800**

Table 16: Scenario 4: Size Mix Requirement by Local Authority and Housing Sub-market (5.5% yield and +5% house prices)

Market Housing:	
1 bedroom	850
2 bedrooms	2,550
3 bedrooms	5,050
4 bedrooms	950
5+ bedrooms	150
Sub-total	9,500
Intermediate Affordable Housing:	
1 bedroom	750
2 bedrooms	750
3 bedrooms	1,200

4 bedrooms	200
5+ bedrooms	50
Sub-total	3,000
Social Rented Housing:	
1 bedroom	1,550
2 bedrooms	900
3 bedrooms	800
4 bedrooms	100
5+ bedrooms	-
Sub-total	3,300
All Housing:	
1 bedroom	3,000
2 bedrooms	4,250
3 bedrooms	7,150
4 bedrooms	1,300
5+ bedrooms	200
Total	**15,800**

7.8 Medway Council indicated at the time that the SHMA was produced that it considered Scenario 4 to be the more likely scenario over the lifetime of the Plan.

7.9 The SHMA identified a number of issues that had policy implications, these included:

- The proportion of owner-occupiers in the housing stock will reduce significantly;
- More people will seek to rent and as a result the market will respond to this;
- Fewer people will amass capital through equity in their home. This in turn will mean that a smaller proportion of the next generation will inherit capital to enable them to become owner occupiers;
- A reduced supply of social housing due to the right to buy council housing;
- Whilst the in-migration and commuting flows from and to London are very significant, when travel to work to London is excluded the main Medway towns are highly self-contained. Preventing the loss of households out-migrating to seek job opportunities is a significant policy aim, particularly the retention of graduates.
- There will be a shortfall in relation to the affordable housing requirement;

- In both affordable and market housing there is both over-crowding and under-supply. In relation to social housing Councils should consider addressing these problems through new-build housing and allocations policies;
- The affordable housing requirement for each local authority should be in accordance with the viability assessment. There is a further requirement for affordable housing over and above that which might be delivered through the planning system and funding should be sought for this from the HCA, RSL's and local authority resources.

7.10 It was recommended that Local Planning authorities should:

- Take into account that the housing requirement can partly be achieved through conversions as well as new build, however, a Local Authority may consider introducing planning policies to protect the character of existing settlements where conversion is occurring on a significant scale.

- Encourage developers and RSLs to produce specialised housing especially for older people including leasehold housing and extra care housing for the frail elderly and it should be a policy priority for delivery within the overall housing requirement.

- Strive to achieve their minimum targets for new build housing in order to widen the choice of housing available to household groups.

- Monitor delivery against tenure and size mix targets and periodically adjust targets to take account of short-term delivery.

- Adopt policy statements that cover the following issues:

- Planning policies that encourage building of market housing particularly suited to the needs of elderly people and other special needs groups as informed by the SHMA so that adaptation costs are minimised and in the case of older people, some larger second hand homes are available to the market;

- Planning policies that are flexible, i.e. provision is made within a planning framework to change detailed targets periodically in response to monitoring and updated SHMA requirements; and

- . Where appropriate, restricting the conversion of second hand family homes into smaller units so that new families have more choice within the market and, by doing so, will improve the flow of smaller homes onto the market that they vacate.

Intermediate Affordable Housing

Use SHMA findings to influence the price of intermediate affordable housing in their locality. (PPS3 paragraph 29, final sentence).

Consider policy options to address the lack of housing for lower income households in the intermediate affordable gap:

- More social housing supported by allocation policies that house 1 and 2 person households who are not in urgent housing need;
- Work with RSLs and the HCA to produce a model for intermediate rented housing. An alternative model for intermediate rented housing would be to benchmark them against social rents; and
- Delivery of housing costing more than market thresholds should not be considered as contributing to the affordable housing target. However there may be a policy justification for seeking a proportion of low cost market housing in larger schemes.

Social Housing

Prioritise new family housing to address backlog need and overcrowding.

Provide incentives for tenants to downsize their housing in order to release family housing.

Private Rented Sector

Plan for a growing private rented sector. Growth will increase demand for Local Authority services in respect of administering benefits, regulating the sector, providing advice and assistance to tenants if difficulties with their landlord occur or their tenancy ends. Demand will also increase for rent deposit guarantee schemes whether provided by the Local Authority or the voluntary sector.

Sustainability

Consider if better use can be made of the existing housing stock especially the social housing stock (PPS3 Paragraph 31) and measure the impact of this upon meeting housing requirements.

The legacy of the credit crunch and policy implications

Recognise the legacy of the credit crunch. There are likely to be fewer loans made to households that might be considered to be sub-prime borrowers and this may accelerate the structural change in the housing market from owning to renting.

Take steps to intensify support to the distressed sectors of the housing market and neighbourhoods by;

- Monitoring their vital signs (e.g. vacancy rates and duration, prices, crime and anti-social behaviour levels);

- Maintaining investment in regeneration schemes where feasible and exploiting where possible funding streams available from the HCA;

- Boosting the support for communities and individuals at the neighbourhood level including the provision of advice and information, street cleaning and action against crime and anti-social behaviour;

- Reacting to an increased demand for Local Authority services needed to protect individuals from poorly maintained buildings and those landlords who do not meet their statutory obligations; and

- Consider introducing neighbourhood management, community engagement and home improvement agencies.

Older People

Reflect that older people are not a homogenous group and prioritise housing development and support services for those that are likely to be frail or suffer long term limiting illness. Policy aims need to recognise that;

- The requirement for alternative housing if unplanned is often urgent and illness related; and

- Some older people are happy to remain in housing that is larger than they require or can manage.

The requirement for specialist and extra care housing should be considered part of the overall housing requirement.

Encourage developers and RSLs to ensure that there is more choice of housing available that is suited to older households and ensure that;

- Design standards are met (lifetime homes and secure by design are features within the code for sustainable homes);

- Some housing is built to wheelchair standard;

- There is a mix of social and leasehold tenures; and

- Dwellings are located in suitable places – near to services and avoiding hilly sites.

Future updates of the SHMA might monitor the impact of any new system of funding residential care and how this affects the need for extra care or very sheltered accommodation.

Ensure that they support households in need of means tested support services such as adaptations;

- With regard to equity release, they or a voluntary sector agency should provide impartial advice and support; and

- Sufficient funding for adaptations is available for the increasing proportion of households in rented housing.

Rural housing

Consider its response to the challenges stated in the Taylor Review and arrive at an agreed vision for the future of rural areas as a basis for future policy.

Review the capacity of the network of rural enablers, their coverage and effectiveness.

Consider re-purchasing or leasing of former social housing or cheaper housing as a more cost effective route to re-stock the affordable housing provision in rural areas.

The new development at Chattenden of 5,000 new units will effectively create a new town in the middle of the Rural peninsula. This is likely to have an impact on all of the surrounding villages and further study into the impact on the rural communities of this development is recommended.

Existing occupiers and their homes

Review its policies for assisting households in dealing with unsuitable housing beyond achieving the standard of decency, i.e. consider investing further in ‘telecare’ based support, develop its partnership networks with voluntary sector providers, support for informal carers and review its use of home improvement agencies. They should consider offering low level responsive support from a local handyperson service.

Seek to minimise the need for minor adaptations in the long term through Part M of the building regulations and the introduction of lifetime homes standards.

Work with individual communities to identify suitable solutions to overcrowding taking account of cultural preferences.

Vacant property

Monitor for long term vacant property and take appropriate action.

In distressed neighbourhoods:

- Suitable vacant property will include disused corner shops as a priority for conversion and change of use to residential; and
- The Local Authority should endeavour to involve local residents in drawing up schemes to address vacant property in a neighbourhood.

Future Monitoring

Monitor a number of long term trends and issues reflected in the SHMA modelling and scenario testing:

- Long term house price trends;
- Affordability trends;
- Structural change in the housing market (the extent to which there is a shift from owner occupation to renting and the net growth of the private rented sector);
- Take up of the right to buy and changes to the legislation;
- The extent to which housing targets are achieved and the extent to which the housing stock more closely reflects the requirements of households;
- Conversion of dwellings to either enlarge them to provide extra bedrooms or sub-divide them in to smaller dwellings;
- Migration trends (domestic and international);
- The impact of growing student numbers and the future development of the Universities; and
- The vital signs of areas considered to be distressed markets (e.g. price, vacancy rates, long term vacancies, local retail sustainability, crime and stock condition).

Viability Study

7.11 The North Kent SHMA was accompanied by a separate study; the Medway Affordable Housing Viability Study, which was produced by Three Dragons.

7.12 In terms of market value areas, the analysis of house prices in Medway indicated that the Borough can be divided into seven market areas; High Value Medway, Medway Rural, Southerly Settlements, Chatham West and Rochester, Strood, Gillingham North and West, and Chatham South and East.

7.13 Significant differences in house prices were found across the market value areas, but residual value was dependent not only on location but also on the density adopted. Residual values were found to be the greatest at the development scenario for a 50 dwellings per hectare (dph) scheme.

7.14 Taking the 40 dph scenario as a likely benchmark for many schemes in the area, residual values at 25% affordable housing were found to vary from £3.35 million per hectare in High Value Medway, to £0.56 million per hectare in Chatham South and East.

7.15 All of the results described above are based upon nil grant, and assume that the intermediate affordable element of the affordable housing was Newbuild Homebuy. The introduction of grant significantly improves residual values, increasing the proportion of intermediate affordable housing from 25% to 50% (of the total affordable element) was also found to increase residual values.

7.16 The Study identified three possible options:

1. Maintain the current policy target of 25% as set out in the Council's current planning policy framework;

2. Introduce a split target that seeks a higher level of affordable housing in the high value locations of the local authority areas. A broad indicative split would work between the urban areas including Chatham, Gillingham, Strood and Rochester where 25% affordable housing, supported by grant in the weaker locations would be appropriate; and a 30% affordable housing target for the more rural areas of Medway Rural and Southerly Settlements.

3. A third option, would follow the second option, but set a higher target for High Value Medway. A 35% target would not be unviable.

7.17 The Council concluded that the second option was the most appropriate for inclusion in the Draft Core Strategy.

Student Housing

7.18 Universities at Medway is a unique partnership which has brought together the University of Greenwich, the University of Kent, Canterbury Christ Church University and Mid-Kent College at a shared campus at Chatham Maritime. The £120 million scheme is the first of its kind in the country. The new integrated university campus in Medway is resulting in increased student numbers.

7.19 In addition the University for Creative Arts (UCA) is established in Rochester. The UCA has announced its intention of creating a new Kent campus, and one of the locations under consideration is Medway.

7.20 Medway has a lower than average private rented sector and the influx of students needing accommodation will create further pressure on an already limited market.

7.21 As a consequence of the rapid growth that has occurred in relation to Medway's student numbers, the Council commissioned ORS Ltd to undertake research into the student market in parallel with the North Kent Strategic Housing Market Assessment (SHMA).

7.22 Medway Council is committed to working with the universities to develop an accreditation scheme to ensure good standards of accommodation and management are maintained and the impact on local communities managed.

7.23 The ORS 'Understanding the Housing Requirements of Students in Medway Report of Study Findings (July 2010)' concluded that:

- There appears to be sufficient land capacity close to the universities to develop additional halls of residence to keep pace with any growth in first year students.

- Student accommodation other than halls of residence relies upon a market response from private landlords.

- Growth in the number of full-time students in Medway is likely to result in increased demand which will fall disproportionally on a small number of wards surrounding the universities.

- This is significant for housing policy because of the relatively small size of Medway's private rented sector and the multitude of niche markets it serves. Specifically, growth in the use of cheaper private rented sector housing for student accommodation will impact on Medway's capacity to house the future requirement for social and intermediate housing in addition to open market housing without additional dwellings being built to compensate. This would be in addition to the SHMA estimate of requirements as no growth in council tax exempt student housing was assumed.

- The council, the universities and their respective partners should collaborate as a matter of urgency to accurately and periodically assess the quantity of student housing that is currently within the private rented sector and estimate future requirement and the impact on other potential users of the private rented sector.

- There is considerable uncertainty about whether and in what form growth in student numbers will occur and if current patterns of accommodation occupancy will be sustained. This is due to the current economic crisis and re-evaluation of the cost of traditional university education by the government, the HEI's and students alike.

- Nevertheless, it would be appropriate and timely to devise and introduce monitoring systems for the supply and demand of the demand for council tax exempt student housing in Medway.