



# **‘Laying the Foundations for Future Generations’**

**A Housing Strategy for St Helena 2012- 2022**

**St Helena Government Vision and Policies**



## BACKGROUND

- 1.1 The need for a revised Housing Strategy and Policy has come from the reviews of the Land Disposals Policy and the Land Development Control Plan. In the former it has been recognised that a protection mechanism is required for the local population in the event that a property market takes off and potentially makes housing less affordable. In the latter it was recognized that mechanisms such as Comprehensive Development Areas and Coastal Village Areas, as properly planned areas, would go a long way to improving the range and choice of housing on the Island but only if there were specific housing policies in place to allow that broader choice to be realised.
- 1.2 The main basis and justification for the Strategy is contained within the detailed working paper 'A Local Housing Strategy for St Helena 2012-2022' produced for SHG by consultants, Houston and Associates in 2011. This is available on request.

## WHAT IS THE 'LAYING THE FOUNDATIONS FOR FUTURE GENERATIONS- A HOUSING STRATEGY FOR SAINT HELENA 2012-2022'?

- 1.3 'Laying the Foundations for Future Generations' details the housing results, objectives, and actions that the St Helena Government and local partners believe are the most appropriate for developing local housing provision during 2012-2022. It provides a framework that will allow us to work together to use our resources and expertise to make better use of our existing stock and to provide quality new housing for residents of the Island.
- 1.4 'Laying the Foundations for Future Generations':
- Recognises that good quality housing and housing services play a central role in the social, economic and physical well-being of all residents.
  - Sets out the housing supply necessary to create a stable and more diverse population on the back of the economic growth anticipated following the letting of an air access contract.
  - Recognises that sustainable development through sustainable management of the natural and built heritage is a key principle which provides the foundation for the delivery of this strategy
  - Is based on the findings of the initial St Helena Housing Need and Demand Assessment 2011
  - Has been shaped by findings and issues raised by stakeholders and residents during August to November 2011 and by more detailed public consultation from January to March 2012.

## WHAT IS OUR VISION?

- 1.5 'Our vision is to ensure that the resident population has access to affordable, sufficient and suitable housing which provides for sustainable communities'. Put more simply, we want to make sure that as far as possible residents can find affordable housing, that there is enough of it and that it is suitable for the long term needs of the Island as a whole.

## WHAT LOCAL HOUSING RESULTS DO WE WISH TO ACHIEVE IN THE LONG TERM?

- 1.6 We believe this strategy will be a success in the long term if as a result of implementing it:

- The balance between housing supply and demand is improved so that more households can secure a suitable home in their preferred area at a price they can afford.
- Households live in good quality, dry, warm, and environmentally sustainable housing that minimises the risk of fuel poverty, contributes to a reduction in carbon emissions, maximises energy efficiency, the use of environmentally sustainable materials for construction and effective waste and water management.
- Residents can secure the housing information, support and advice that they require to live independently in their preferred choice of accommodation.
- High quality information and advice is readily available to help households to make the best possible housing choices at different times in their lives.

## LAYING THE FOUNDATIONS FOR FUTURE GENERATIONS- KEY POLICIES

**Table 1: Key SHG policies for the 2012 – 2022 Strategy**

### **1 Affordable Homes**

#### **1.1 SHG will stimulate the provision of intermediate low income housing by:**

- Stimulating and supporting the construction of up to 350 high quality intermediate low income housing units – to rent, buy and self-build - by 2022 in order to meet projected need and demand.
- Setting aside between 10-25% of plots within suitable Comprehensive Development Areas and Coastal Village Areas, as appropriate, for affordable housing- this to be determined on a case by case basis
- Considering using Planning Gain in appropriate cases to secure development of affordable housing
- Considering how SHG can best support development of affordable housing through future mechanisms such as import tariff reviews, centralised procurement of energy-efficient products and promoting environmentally sustainable approaches to development

#### **1.2 SHG will enable access to intermediate low income housing to rent and buy by:**

- Encouraging modern construction techniques and use of appropriate materials which are good for the local environment and reduce the cost for first time buyers on low incomes, including support for exemplar projects.
- Supporting the introduction of new ways of financing homes, including work to determine their feasibility
- Setting up, subject to detailed feasibility work, a non profit-making company to develop, own and manage social rented housing potentially using Government Landlord Housing to provide an initial management portfolio

**2 Private Renting- SHG will help to stimulate a modern, vibrant, dynamic and regulated, private rented sector by:**

- Stimulating the private rented sector to provide up to 25% stock by 2022.
- Helping owners to bring up to 100 Empty Homes back in to housing use by 2022.
- Helping owners to bring up to 50 uninhabitable homes back in to use by 2022.
- Supporting the development of a new private rental management company, subject to suitable feasibility work, potentially using Chief Secretary Housing to provide an initial management portfolio
- Enabling and regulating a network of local professional landlords – for residential and visitor markets.

**3 Government Landlord Housing- SHG will improve the management and maintenance of the Government Landlord Housing (GLH) stock by:**

- Completing a scheduled maintenance programme
- Appointing a Housing Manager to provide a dedicated housing management resource
- Ensuring all social rented housing meets a tolerable standard by 2017, where this is cost effective.
- Introducing a new management system to address weaknesses identified to date, during 2012-13.
- Establishing an island wide Housing Forum

**4 Independent Living- SHG will assist older and vulnerable people to live independently in their own homes by:**

- Assisting older and other vulnerable households to live in properties free from serious disrepair and which meet a tolerable standard by 2017, where this is cost effective.
- Increasing the number of older people, disabled people and other vulnerable adults who are being supported to live independently in a homely environment.

**5 Cross Cutting Objectives- SHG will:**

- Bring the responsibilities for facilitating development, management and maintenance of housing together under one SHG Directorate alongside other complementary functions focused on the built environment- Crown Estates, Planning, Historic Built Environment and support for Enterprise Saint Helena
- Provide the necessary St Helena Housing legislative framework.
- Promote more environmentally sustainable housing to include better energy efficiency, use of environmentally sustainable materials for construction and environmentally efficient waste and water management

- Ensure and be able to demonstrate that households can access housing information, support and advice of a consistently high standard.
- Improve our knowledge of the needs and views of customers and ensure this evidence is used to shape the way we release land and organise and deliver services.

## LAYING THE FOUNDATIONS FOR FUTURE GENERATIONS- DELIVERING THE VISION

**Table 2 Key Actions for 2012/13 to 2014/15**

### **Develop an approach to bringing empty homes back in to re-use including:-**

- Support the development of a new private rental management company, subject to suitable feasibility work, potentially using Chief Secretary Housing to provide an initial management portfolio
- Deliver empty homes research, identify and remove blockages to private renting
- Compiling an empty properties register
- Initiating best practice development in private renting including specimen documentation
- ***Total estimated cost of £130,000 over three years***

### **Stimulate the provision of intermediate low income housing by supporting the preparation of development and design briefs for 6 CDA and CVA strategic sites**

- ***Total estimated cost of £300,000 over three years***

### **Enable access to quality homes for people on low incomes through:-**

- Supporting the development of exemplar housing projects to promote the use of alternative methods of construction
- Set up, subject to detailed feasibility work, a non profit-making company to develop, own and manage social rented housing potentially using Government Landlord Housing to provide an initial management portfolio
- ***Total estimated cost of £1.65m over three years***

### **Improving the management and maintenance of the Government Landlord Housing (GLH) stock**

- **Complete backlog maintenance programme to ensure all social rented housing meets a tolerable standard by 2017** *(Estimated £900,000 over 3 years)*
- **Appoint a permanent local Housing Manager to provide a dedicated housing management resource twinned with short term TC support to build capacity** *(estimated £250,000 over 3 years)*
- **Establish an island wide Housing Forum or tenants' organisation** *(nominal set up and running costs of £3000 p.a)*

- **Bring the responsibilities for facilitating developing, managing and maintaining housing together under one SHG Directorate**
- **Provide the necessary St Helena Housing legislative framework.**

## ACHIEVING A MORE BALANCED HOUSING SYSTEM

### OUR OBJECTIVE

- 1.7 To improve the balance between housing supply and demand so that more households can secure a suitable home in their preferred area at a price they can afford.

### WHAT ARE OUR PRIORITIES FOR THE NEXT 5 - 10 YEARS?

- 1.8 Over the next 5 years our objectives will be to:
- Support the construction, largely by the private sector, of up to 350 high quality affordable housing units by 2022 in order to meet demonstrated local housing need and demand.
  - Promote the benefits of households living in good quality, dry, warm, and environmentally sustainable housing that minimises the risk of fuel poverty, contributes to a reduction in carbon emissions, maximises energy efficiency, the use of environmentally sustainable materials for construction and effective waste and water management.
  - Encourage bringing empty and uninhabitable homes back into housing use, with a minimum target of 100 over 10 years.
  - Address the backlog of maintenance and management issues affecting the performance of the GLH stock.

## CREATING A MODERN, VIBRANT, DYNAMIC PRIVATE RENTED SECTOR

### OUR OBJECTIVE

- 1.9 To increase the supply of market and mid-market private rented accommodation from 12.75% (306 out of 2397- 2011 dwellings figure) to 25% (599) of the housing stock as a means of addressing the predicted increased demand for rented accommodation.
- 1.10 To help owners to bring up to 100 Empty Homes back in to housing use by 2022.
- 1.11 To help owners to bring up to 50 uninhabitable homes back in to use by 2022.
- 1.12 To support the development of a new private rental management company, subject to suitable feasibility work, potentially using Chief Secretary Housing to provide an initial management portfolio
- 1.13 To enable and regulate a network of local professional landlords – for residential and visitor markets.

### WHAT ARE OUR PRIORITY OBJECTIVES OVER THE NEXT 5 – 10 YEARS?

1.14 Over the next 5 – 10 years our priority objectives will be to:

- Ensure an increase in supply of market and mid-market private rental properties – up to 25% stock.
- Ensure all new housing is built to a high quality, with at least 5 % being fully accessible to wheelchair users on suitable sites.
- Ensure that all existing stock that is brought back into use meets a housing quality standard (HQS). Support the development of a new private rental management company, subject to suitable feasibility work, potentially using Chief Secretary Housing to provide an initial management portfolio
- Deliver empty homes research, identify and remove blockages to private renting
- Compiling an empty properties register
- Initiating best practice development in private renting including specimen documentation

## STIMULATING THE PROVISION OF INTERMEDIATE LOW INCOME HOUSING

### OUR OBJECTIVE

1.15 To provide 350 new affordable homes over the next 10 years. These should be within sustainable communities, located in areas of current and new employment and offer mixed tenure and choice with little or no public subsidy.

### WHAT ARE OUR PRIORITY OBJECTIVES OVER THE NEXT 5 – 10 YEARS?

1.16 Over the next 5- 10 years our priority will be to:

- Support the construction, largely by the private sector, of 350 affordable homes over the next 10 years. These should be within sustainable communities, located in areas of future employment growth and offer mixed tenure and choice with little or no public subsidy.
- Ensure at least 5 years land supply should be maintained at all times to ensure a continuing generous supply of land for house building.

## ENABLING ACCESS TO INTERMEDIATE LOW INCOME HOUSING - TO RENT AND BUY

### OUR OBJECTIVE

1.17 To facilitate changes in the way homes are constructed and financed as a contribution to assisting first time buyers and those on lower incomes to secure a home, and to speed up the house-building programme, whilst ensuring quality homes and designs and materials appropriate for the island.

### WHAT ARE OUR PRIORITY OBJECTIVES OVER THE NEXT 5 – 10 YEARS?

1.18 Over the next 5 years our priorities will be to:

- Stimulate an exchange of ideas and knowledge in the self-build and house building sector, with the aim of bringing down the unit cost of quality low income house-building.

- Consider reviewing shipping transportation costs associated with the delivery of building materials and prefabricated housing units over the next 5 – 10 years.
- Consider introducing a conditional duty free holiday on key construction materials to enable development.
- Design and implement an exemplar house building project on Crown land.
- Ensure a self-build component within comprehensive development areas to uphold the local tradition.
- Explore appropriate financing model/s for St Helena for first time buyers on low incomes.
- Ensure legal and organisational frameworks are in place to retain a proportion of land in perpetuity or with an appropriate asset lock for affordable homes to address low income, first time home buyer market and retain rung on housing ladder.

#### HOW WILL WE ENSURE AFFORDABILITY FOR RESIDENTS?

1.19 This will be largely achieved through tools to be developed under the Housing Strategy rather than the existing method of publicly subsidising land. It will be achieved in a number of ways:-

- Firstly, allocating a generous supply of land for housing in the LDCP will give the flexibility necessary for the continued delivery of new housing even if unpredictable changes to the effective land supply occur, related to growth on the back of air access, during the life of the LDCP. Consideration of the scale and location of the housing land requirement well ahead of land being required for development should assist in aligning the investment decisions of the construction industry, developers, infrastructure providers, individuals and others. It will provide a degree of comfort to the market, reducing potential risk and influencing appropriate price increases.
- Secondly, through a properly planned approach to Comprehensive Development Areas (CDAs) and Coastal Village Areas (CVAs). This will necessitate a variety of other factors being pulled together including the development application and its determination, negotiation of legal agreements, financial models, granting of a building warrant and roads construction consent, water and drainage connection, the capacity of the construction industry and the functioning of the emerging housing market. Most of these factors are not in the direct control of one section of SHG. In CDAs and CVAs, therefore, Planning, developers, service providers and other partners in housing provision will have to work together to both ensure a continuing supply of effective land and to deliver housing. This will need development briefs to be produced for each of the CDAs and CVAs and these will specify an appropriate combination of both land being set aside for local development and for affordable housing- typically between 10-25% of available plots. SHG will also need to provide more of a joined-up service for potential developers, thus reducing the opportunity cost for those developers.
- Thirdly, as an alternative to this on other larger developments, planning gain will normally be sought for a financial contribution towards affordable housing provision which it is agreed will be supplied within a specific timeframe off- site on external sites allocated for housing. This will be negotiated on a case by case basis, given the current market conditions. However, taking the three current CVAs as a guide a proposed 10-25% target of the residential element would generate between 70-170 dwellings
- Fourthly, alternative methods of construction will be encouraged. For example, labour typically takes up between a third and half of the construction cost of a new house. This can



also be reduced by using kit houses which can be erected within a few weeks or months. This compares very favourably against the current 1 – 5 year timeframe reported by most due to cost and supply issues experienced by many households in recent years. The role of SHG here is largely an educational one, making potential builders aware of alternatives to concrete block construction. This will be supported through an exemplar project.

- Fifthly, SHG will carefully consider the feasibility of developing a new Housing Association or similar non-profit making company which can act as developer and manager of affordable housing for both sale and rent.
- Sixthly, new forms of ownership will be facilitated, most appropriately through the Housing Association or non-profit making company model identified above. This will include a Shared Ownership or Shared Equity option. Shared ownership was introduced into the UK in the early 1980s to help people who were in housing need and could not afford to buy a home outright. Within such a scheme priority will normally be given to existing Government Landlord or Housing Association tenants; those on Government Landlord or Housing Association waiting lists; key workers to support the Island's developmental and social needs and other first time buyers.

## IMPROVING THE MANAGEMENT AND MAINTENANCE OF THE GOVERNMENT LANDLORD HOUSING (GLH) STOCK

### OUR OBJECTIVE

- 1.20 Our objective is to create a well managed social housing stock with homes suitable for the 21<sup>st</sup> Century, modern management techniques, quality information advice and support and active tenant participation.

### WHAT ARE OUR PRIORITY OBJECTIVES OVER THE NEXT 5 -10 YEARS ?

- 1.21 Our priority objectives over the next 5 years will be to:
- Appoint a Housing Manager to address management and maintenance issues in the short term and to investigate in detail the feasibility of and options for establishing a non profit-making Housing Organisation in the medium to long term.
  - To reduce rent arrears by at least 50% by 2014.
  - To introduce energy saving techniques, such as solar panels.
  - To establish suitable temporary emergency housing accommodation
  - To provide a hostel for those who cannot keep up with the subsidised GLH rents, and those affected by domestic violence, alcohol and drug misuse and probation.
  - To facilitate the establishment of a Housing Forum and Citizens Advice Bureau or equivalent offering housing information and advice services.
  - To develop housing plans with those on the waiting list and existing tenants in order to promote movement through the system as well as address individual household needs.
  - To establish housing quality standards and tolerable standard thresholds for public sector housing, following which this will set the minimum standards for all housing on the island. SHG would be the exemplar.

## ASSISTING PEOPLE TO LIVE INDEPENDENTLY IN THEIR OWN HOMES

### OUR OBJECTIVE

- 1.22 Our key objective is to enable more people to live independently in their own homes for longer.

### WHAT ARE OUR PRIORITY OBJECTIVES FOR THE NEXT 5 – 10 YEARS?

- 1.23 Over the next 5 years our objective will be:
- Improve our understanding of the needs of older people, disabled people and other vulnerable adults and support them to live independently in a homely environment.