

Report to: **Hub Committee**
Date: **8th March 2022**
Title: **Response to the Housing Crisis**
Portfolio Area: **Homes – Cllr Barry Ratcliffe**
Wards Affected: **all**
Urgent Decision: **Y** Approval and clearance obtained: **Y**

Date next steps can be taken:

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RECOMMENDATIONS:

That the Hub Committee

- 1. Approves the proposed measures to address the housing crisis as set out below**
- 2. Agrees to send a letter outlining the Council’s lobbying objectives to the Rt Hon Michael Gove MP Secretary of State for Levelling Up, Housing & communities.**

1. Executive summary

- 1.1 A Housing Crisis was declared by the Council at its meeting on the 15th February 2022. A motion proposed by Cllr Neil Jory on Cllr Barry Radcliffe’s behalf received unanimous support from the Members present.
- 1.2 This report is the start of the response to the issues set out in the motion.
- 1.3 The motion contains 15 actions – a combination of direct lobbying, some longer term strategic work streams and bringing into focus work already in progress.
- 1.4 The motion also called upon elected Members to respond to the crisis by requesting that “*This issue should be foremost in member’s minds when engaging with our communities, debating, challenging,*

setting strategy and exercising your democratic decision making powers.)”

- 1.5 Following this report the Housing Crisis will be discussed at informal council and in detail by the Hub Committee Homes Advisory Group which will inform the work plan which will be integrated into the Housing Strategy “Better Homes Better Lives.”

2. Background

- 2.1 Further to the Hub Committee report of the 7th December (HC53/21) when various housing challenges facing the residents of the Borough were discussed, Members felt so acute was the situation that it was appropriate to declare a housing crisis at the meeting of the full council on the 15th February 2022. This was supported unanimously by all members present. This declaration was accompanied by 15 action points which Members wished to address.
- 2.2 The actions include both lobbying of central government on legislative and procedural changes and also direct action for the Council to take. Some of which will be significant long term projects, while others highlight work that has already began.

3. The Declaration of a Housing Crisis

That West Devon Borough Council should recognise current difficulties in the housing market and the effect on the affordability of good quality housing within the Borough and:

1. *Demonstrate our commitment to the wellbeing of homeless people in the Borough by providing quality temporary accommodation (such as is proposed at Springhill Tavistock) and reduce the need for less appropriate forms of temporary accommodation;*
2. *Act where the Council has a land holding and take an interventionist approach to the housing market over the longer-term, where there is demonstrable housing need, leading to improved long term housing outcomes;*
3. *Recognise the market failures locally around accommodation options for vulnerable people (exempt accommodation), work in close partnership with Devon County Council to provide alternatives –putting people before profit. At the same time lobby national government to make legislative changes to remove the incentives for unscrupulous providers and to protect the needs of this vulnerable group;*
4. *Recognise the need for extra care accommodation in the Borough and ensure such schemes are supported to come forward;*
5. *Actively contribute to ‘Team Devon’s’ housing task force and housing commission to build the case for affordable housing as a key priority in any pan-Devon devolution ask;*
6. *Lobby government through our MPs and the LGA to review the regulation of holiday accommodation, to ensure all holiday accommodation is suitably regulated and made subject to local planning policies and taxes.*

We should also appeal for an extension to the 90-day short term let legislation to be extended outside London and lobby DLUC for a separate planning class for short term lets and a proper licensing system to cater for them;

- 7. As the Council moves towards a review of the JLP, aspire to the highest affordable housing threshold that is sustainable and underpin it in policy;*
- 8. Create a long term strategic partnership with a high quality Registered Provider to see the delivery of affordable-led housing at scale and over the long term in the Borough;*
- 9. Continue to work closely with our main Registered Providers to ensure best occupancy of stock, not just by providing financial incentives for downsizing, but, where a step into home ownership may be possible, supporting tenants to make that move through a deposit grant scheme;*
- 10. Use any Section 106 affordable housing contributions as soon as possible to help fund developments anywhere in the Borough where the terms of the Section 106 Agreement permit this;*
- 11. As agreed at the last Hub Committee meeting, campaign for changes to the Broad Market Area to better reflect the costs of rents in West Devon;*
- 12. Actively seek opportunities to invest in Council owned social housing with high sustainability specification (including modular housing) to support those on low incomes who are unable to afford 'affordable' rented housing;*
- 13. Aligned with our Climate Change Emergency, continue to fund (and bid for further national funding) improvements to existing private sector houses within the Borough, recognising that housing is responsible for 40% of national CO2 emissions;*
- 14. That this authority lobbies our MP's and Central Government to provide an incentive to landowners for the provision of land specifically for Local Needs Affordable Housing. Giving landowners a tax break when providing land for affordable housing where there is an identified need, would, it is believed, help to release land at a reduced cost to support the small scale provision of affordable housing in our rural communities. As Members and Officers will be aware, the cost of land for housing is a significant deterrent to bringing forward low cost quality housing in most of the Borough area, without the provision of open market housing, which most communities do not want;*
- 15. That, having declared a Housing Crisis (and recognising the importance of making quick progress), the ideas set out in points 1 to 14 of the substantive motion be given further consideration at:
 - A meeting of the Homes Hub Committee Advisory Group;*
 - An Informal Council session; and*
 - Future meetings of the Hub Committee and Full Council to be supplemented by published agenda reports and an evolving draft Action Plan.**

4. The response to the Crisis

- 4.1 Housing rightly, and as was demonstrated by the unanimous support for the motion, is a priority for all elected members both across the

Borough and across the political spectrum. It is therefore imperative that all Council Members are encouraged to suggest solutions to the issues and bring experience and best practice examples to try and solve the crisis. The informal Council session of the 1st of March provided an opportunity to discuss this and there will be a meeting of the Hub Committee Homes Advisory Group arranged for as soon as is reasonable practical. This will enable a “deep dive” into the points of the motion. The Council is currently producing its Year 2 Action plan of the housing strategy “Better Homes Better Lives” and it is the appropriate vehicle to incorporate these actions. This will provide both transparency and accountability of the Council’s priorities in relation to housing.

Spring Hill

4.2 The Council’s ambitions to provide good quality, safe and secure temporary accommodation at Spring Hill has already passed the first hurdle, when it was agreed that planning permission for demolition and a purpose built new provision, reusing many of the existing materials should be granted on the 14 December 2021.

4.3 Work on the tender documentation has commenced as has discussions with Homes England regarding grant funding, and it is anticipated that a business case will be presented to Hub Committee and then Council in July 2022.

In the meantime we continue to use B&B and holiday accommodation for the homeless households in the Borough. Moving people on from temporary accommodation has become increasingly harder, because of a lack of opportunities in the private sector and competition in both this market and for social housing. As a consequence, the numbers of nights in temporary accommodation has increased, which whilst being very challenging for people in that situation, particularly with children, is a very costly solution to the public purse. Spring Hill, being both self-contained and in a central town location will be a huge improvement to those people requiring a homeless service from the Borough.

Council Owned Land

4.4 The Council sold its housing stock through a large scale voluntary transfer (LSVT) in 1999 to what has now become Livewest. As part of that agreement the Council also transferred garage sites and other parcels of land. As a result the Council has no significant landholdings.

4.5 There are however pieces of land that may be suitable for small scale construction including non-traditional (modular) housing

The Council will review all its landholding and where there is demonstrable housing need look to bring the site forward either itself, as a joint venture or with a strategic housing partner.

Exempt Accommodation

- 4.6 As a separate item on this agenda the Hub Committee will be asked to consider the actions that the Council has taken in relation to some providers of accommodation to vulnerable people, under “exempt rents”. The report would suggest a market failing and a system that operates for profit not the people it exists to support. The Council has been working closely with both Devon County and registered providers (RP’s) to discuss the possibility of bringing forward schemes for people with learning disabilities that ideally would not require the need for exempted rents and could be delivered at social or affordable rents. This work is ongoing and will be subject to a later report to Hub Committee.

Extra Care Housing in Tavistock

- 4.7 There is a recognised need for extra care housing in Tavistock and delivery of a scheme is a priority in both the Joint Local Plan and the Housing Strategy. More information on extra care will be explored in more detail in a later report.

Team Devon

- 4.8 Team Devon is the collective name of the group of District and County Political Leaders and their corresponding Chief Officers. To respond collectively to the housing crisis declared by some Authorities and the housing challenges felt by all across the County (including Plymouth & Torbay) a Devon Housing Task force is in the process of being established. It is essential that West Devon play its part in highlighting the issues felt by our residents to influence the levelling up agenda. This work is in its infancy and more detail will be available shortly.

Lobbying

- 4.9 The motion sets out a number of actions on which the Council wishes to campaign and lobby central government around legislative and policy changes. Changes to exempt accommodation and housing benefit regulation are mentioned at paragraph 4.4, however there are further opportunities. The first concerns lobbying for holiday accommodation regulation and to ask for an extension of the 90-day letting limit that properties in London are subject to. There has been a recent change to the business rate loophole, that allowed second homes to make their home available for a minimum of 140 days (but with no requirement to actually let it) and be able to be registered for business rates. This in turn allowed them to claim small business rate relief, which essentially meant they paid nothing towards their council services (whether that be Town & Parish, Borough or County) and the Police. Whilst this is a welcome change

the Council could look to go further with a request for the 90 day limit to short term lets, and proper licensing or a planning use class, and in the process returning more homes to the longer term let market

- 4.10 There is a further opportunity to look again at the incentives offered to landowners who are reluctant to offer their land on exception sites, because of the perceived poor return. This is both a lobbying and a local policy issue and should be explored.

5. Proposed Way Forward

- 5.1 It is recommended that Members consider the proposed actions of this report
- 5.2 Members may wish to instruct the Director of Place and Enterprise to write to Michael Gove MP, Secretary of State for the Department of Levelling up, Housing & Communities, setting out the issues on which they wish to lobby.
- 5.3 It is recommended that a further meeting of the Hub Committee Homes Advisory Group is organised to specify actions addressing the motion that can be incorporated into the Housing Strategy Better Homes, Better Lives Year 2 Action Plan.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council has powers across all of its functions to help shape and boost housing provision whether by providing houses itself (Housing Act 1985 section 17) or through a housing company (Local Government Act 2003 section 95 or Localism Act 2011 section 1); facilitating delivery by others by land assembly (Local Government Act 1972 and Town and Country Planning Act 1990 section 226); bringing vacant properties back into use (Housing Act 2004); or more strategically, through planning policy; and the grant of planning permissions and planning agreements (Town and Country Planning Act 1990).
Financial implications to include reference to value for money	Y	There are no direct financial implications of this report, however responding to a crisis will require significant additional staffing resource. Individual schemes and projects will be subject to business cases of further reports. As part of the Revenue Budget for 2022/23, it has been approved to transfer £172,084 of the New Homes Bonus Grant allocation for 2022/23 to an Affordable Housing Earmarked Reserve.

Risk	Y	Failure to respond will have consequences for our residents for years to come. Although there are no quick fixes it is imperative the Council acts
Supporting Corporate Strategy	Y	Homes
Climate Change - Carbon / Biodiversity Impact		None as a direct result of this report
Comprehensive Impact Assessment Implications		
Equality and Diversity		No implications
Safeguarding		No implications
Community Safety, Crime and Disorder		No implications
Health, Safety and Wellbeing		No implications
Other implications		

Supporting Information

Appendices:

None

Background Papers:

Hub Committee Report 7th December 2021 (Minute HC.53/21 refers)