

Report to: **Hub Committee**

Date: **31<sup>st</sup> January 2023**

Title: **Housing Crisis Update – Summary Report of Actions**

  

Portfolio Area: **Homes – Cllr Barry Ratcliffe**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Author: **Isabel Blake** Role: **Head of Housing**

Contact: **01822 813551/email: Isabel.blake@swdevon.gov.uk**

---

**RECOMMENDATIONS:**

**That the Hub Committee note:**

- 1. the progress against the Housing Declaration of February 2022; and**
- 2. the additional information on the Housing Need Survey undertaken for Brentor, and agree to cease work on a directly delivered affordable led housing scheme at Brentor (decision deferred from 1<sup>st</sup> November 2022).**

**1. Executive summary**

**Housing Crisis**

- 1.1 West Devon Borough Council declared a housing crisis in February 2022. Accompanying this declaration were 15 specific points where the Council wished to take direct action. This report seeks to inform Members of the progress to date.
- 1.2 Since the declaration of the Crisis the Head of Housing has prepared a report for every Hub meeting on various housing topics and action taken to address the parts of the housing crisis that the Council can influence. This has ranged from development, direct delivery, the housing and homeless strategies, and energy efficiency. There has been new polices to consider the best use of existing stock and updates on progress on sites in the Council's ownership at Springhill, Tavistock and Wonnacotts Road, Okehampton.

- 1.3 The declaration of the Housing Crisis has now been embedded into the Housing Strategy Better Homes, Better Lives which will shortly be refreshed for its Year 3 action plan.
- 1.4 Whilst seeking to address the issue locally, the size and significance of the housing crisis has appeared to grow, and new challenges arise. The war in Ukraine and Homes for Ukraine Scheme, the Cost-of-Living crisis and the global increase in materials and labour have all impacted on our ability to tackle the crisis and this will continue.

### **Brentor Directly Delivered Affordable Led Housing Scheme**

- 1.5 The Government launched a Community Housing Fund in 2016 and West Devon was a recipient of £247,620 of grant funding. This money was to support local authorities, working with communities to bring forward affordable led housing schemes.
- 1.6 The funding provided was intended to take potential schemes through the feasibility and design stage of development. In the event schemes progressed successfully through the planning stage capital funds would have been secured through for example PWLB (Public works loan board) borrowing and further Homes England grant funding.
- 1.7 This approach was adopted with a view to establish a longer-term pipeline of projects to come forward, whilst recognising that success was not guaranteed.
- 1.8 At the Hub meeting of 1<sup>st</sup> of November, a recommendation was presented to cease work on a directly delivered affordable housing scheme at Brentor. This was due to the survey indicating a need for only 6 affordable homes, (5 1xbedroom and 1x2 bedroom) and therefore not supporting the proposed development of 9 affordable homes (4 shared ownership and 5 affordable rent all 2 & 3 bedrooms).
- 1.9 During the debate it was recommended to defer the decision, following concerns around the methodology of the Housing Needs Survey.
- 1.10 Officers have reviewed the survey again with Devon Communities together and have concluded that while there is no change in the identified housing need for Brentor of 5 one-bedroom properties and 1 2-bedroom property, a number of people under 55 had completed the survey which was contrary to that stated in the Hub report of the 1<sup>st</sup> November 2022.
- 1.11 It therefore remains the Officer recommendation to cease work on the directly delivered scheme at Brentor due to a lack of need to support the scheme through the planning process with Dartmoor National Park.

## **2. Housing Crisis Declaration**

- 2.1 The Council declared a Housing Crisis on the 15<sup>th</sup> of February. The motion carried included 15 points, set out in full below alongside action to date.
- 2.2 The actions are wide ranging, encompassing the need to lobby for legislative change to address structural problems as well as direct actions that the council can take to address acute problems on the ground.
- 2.3 *That West Devon Borough Council should recognise current difficulties in the housing market and the effect of good quality housing within the Borough and:*

### **Recommendation 1**

- 2.4 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

### **Actions**

2.4.1 Through the Housing Crisis series of reports, Members have been kept updated regarding the homeless accommodation project at Springhill. The project remains a corporate priority but there are challenges facing the construction industry, brought about by the effects of rising inflation, the war in Ukraine, Brexit, Covid 19, rising energy prices and the UK ban on the use of rebated diesel. The combination of all these issues is having a real and current impact on the Construction Industry and has already forced several Contractors into administration.

2.4.2 The Council are currently working with a contractor to review the design and develop a final construction cost. Should the cost be deemed acceptable and approved at full Council it is the intention to immediately enter the final construction contract. Officers are likely to have the results and the construction cost in early March 2023.

### **Recommendation 2**

- 2.5 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

### **Actions**

2.5.1 The Council is progressing work at Wonnacotts Road, a site in its ownership in Okehampton. An architect has been engaged to inform on the site constraints and produce a massing plan that will allow a high-level cost estimate. This will establish baseline viability and inform the pre-planning application process. This work is due to complete in Quarter 1 of 23/24 with a decision taken by Members on whether to proceed to the next stage of feasibility where options to deliver any scheme ourselves or to work with a Registered Provider will be considered. It is anticipated that a business case will be presented to members in Quarter 3 or 4 of 23/24.

### **Recommendation 3**

- 2.6 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.

### **Actions**

2.6.1 West Devon has been instrumental in exposing the loopholes in the provision of supported accommodation in England, and the opportunity to profit vast sums of money from the housing benefit system. At every opportunity the Council has made the case for urgently needed reform. The Leader Cllr Jory gave evidence at a Parliamentary select committee, which made far reaching recommendations to Government.

- Introduce compulsory national minimum standards for exempt accommodation, including on referrals, care & support, and quality of housing
- Give local councils the powers and resources to enforce these standards
- Require all exempt accommodation providers to be registered
- Create a National Oversight Committee to join-up existing regulators and mend the current 'patchwork regulation' which has too many holes
- Ensure the providers of exempt accommodation for survivors of domestic abuse have recognised expertise to provide specialist support and a safe environment
  - Review the system of exempt housing benefit claims and clamp down on the exploitation of the lease-based exempt accommodation model for profit

2.6.2 The Council has been successful in securing over £300k in government funding through the Supported Housing Improvement Programme, which not only will allow thorough

scrutiny of housing benefit claims, but will also design a new voluntary inspection regime for providers (exempt accommodation currently provided by an RP is not required to be a licensed HMO, nor is there any oversight from either the Social Housing Regulator or the Care Quality Commission) and co-location of a housing commissioner to ensure that poor providers are discouraged from entering the local market

2.6.3 The Registered Provider who was first highlighted by West Devon as a potential concern has been deregulated by the Regulator of Social Housing. The Council continues to improve practice and quality of provision in the Borough.

#### **Recommendation 4**

- 2.7 Recognise the need for extra care accommodation in the Borough and ensure such schemes are supported to come forward

#### **Actions**

2.7.1 West Devon has a higher than national average ageing population and appropriate housing will be required by residents who need supported accommodation.

2.7.2 In December 2021, West Devon planning committee granted planning permission, subject to signing the section 106 agreement, for a 60 bed Extra Care scheme on Plymouth Road, Tavistock. The scheme has interest from a Registered Provider of affordable housing with a successful history of delivering schemes of this type.

#### **Recommendation 5**

- 2.8 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

#### **Actions**

2.8.1 The Task Force has been established and together with Exeter University is in the process of appointing a Programme Director to lead the work of the Housing Commission.

2.8.2 The lobbying activity taken to date collectively includes a response to the consultation on short term lets, request to replenish the Community housing fund and evidence at the Select Committee on short term lets. There is also work ongoing funded from a collective LGA bid to support CLT's (Community Land Trusts) and the challenges of private rented accommodation across the County

#### **Recommendation 6**

- 2.9 Lobby Government through our MP's 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 DLUHC for a separate planning class for short term lets and a proper licensing system to cater for them

### **Actions**

2.9.1 A letter was written to Michael Gove MP in June 2022 in his role as the Secretary of State for Levelling Up, Housing and Communities. The Council both individually and as part of the Devon Housing Task Force responded to a consultation from the Department for Digital, Culture, Media and Sport on the introduction of a licensing scheme for short term lets

2.9.2 Cllr Judy Pearce Leader of South Hams District Council and Chair of the Devon Housing Task Force attended a parliamentary select committee on short term lets and was able to explain the impact the market has had on longer term lettings in Devon. On hearing the evidence, the Chair of the Built Environment Committee Lord Moylan wrote to Michael Gove MP to support allowing Local Authorities to decide whether to introduce both a registration scheme and planning permission for new short term lets in the area.

The Levelling Up and Regeneration bill currently at 2<sup>nd</sup> reading stage in The House of Lords, will create a power to establish a registration scheme for short-term lettings. If the bill becomes an Act of Parliament a further update will be prepared for a future report.

Collective political lobbying and ongoing discussions between officers at the Council and DLHUC have given opportunity to bring about meaningful change in this largely unregulated housing market.

### **Recommendation 7**

- 2.10 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.

### **Actions**

2.10.1 The JLP is currently scheduled to be reviewed by 2024 and any review process will require new affordable housing evidence to support our strategy for delivering affordable housing. This may include setting different affordable housing thresholds for developments of certain sizes and types.

## **Recommendation 8**

- 2.11 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.

### **Actions**

2.11.1 This remains a key long term strategic aim of the Council and the recent recruitment of a Housing Development Officer will assist the Council in working towards the creation of a strategic partnership.

## **Recommendation 9**

- 2.12 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

### **Actions**

2.12.1 West Devon has one of the most generous tenant downsizing incentive schemes in the Country following adoption of a policy to increase payments to a maximum of £5,000. So far 3 tenants have taken advantage of this scheme. We have written to 496 tenants to spread the word of the scheme.

2.12.2 A further scheme to promote shared ownership to existing tenants has not yet been brought forward. Our shared service Council has adopted a scheme but there has not yet been any uptake. Officers continue to review the need for a similar scheme in West Devon.

## **Recommendation 10**

- 2.13 Use any Section 106 affordable housing contribution as soon as possible to help fund developments anywhere in the Borough where the terms of the Section 106 agreement permit this

### **Actions**

2.13.1 Section 106 contributions are regularly monitored to ensure that there is a commitment to spend the funding. The consequence of failing to do so is that the Developer can ask for the contribution to be returned if it is not spent within the time specified in the Section 106 agreement

2.13.2 To date S106 contributions totalling £109,941.95 was spent towards the acquisition of a property adjoining Springhill

Hostel in Tavistock. No Section 106 contributions have been returned to a developer by this Council.

### **Recommendation 11**

- 2.14 Campaign for changes to the Broad Market Area to better reflect the costs of rents in West Devon

#### **Actions**

2.14.1 Despite our request for consideration of a review of the local housing allowance and broad market area there has been no change from the Government on this issue. It is imperative that the Council continue in their lobbying efforts to bring about change in this area. In December 2022 there were no 3 bed properties to rent advertised on right move within the Local Housing Allowance anywhere in West Devon

### **Recommendation 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 accommodation

#### **Actions**

2.15.1 This recommendation is linked to the development of our sites and therefore is a medium-term recommendation. Since the Housing crisis declaration, the importance of adopting "fabric first" principles to minimise energy costs to the occupants has become forefront in our collective minds.

### **Recommendation 13**

- 2.15 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.

#### **Actions**

2.16.1 The Council has delivered £519,027 worth of Green Home Grants to its residents, enabling residents to retrofit energy efficiency measures into their properties.

The Council will shortly be bidding for Home Upgrade Grant Funding (HUG2) from Central Government to enable it to continue to provide grant assistance over the next two years. We have already published the local eligibility criteria for Energy Company Obligation (ECO) phase 4. Residents who meet the criteria can contact accredited installers to have energy efficiency measures installed at their property.



We are working with local community energy group to provide energy advice to help residents be more efficient and reduce emissions.

#### **Recommendation 14**

- 2.16 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

#### **Actions**

2.17.1 Whilst there may be opportunities to go further, this aspiration is met in part through The Joint Local Plan (TTV27). It provides an incentive for a landowner to bring forward land for affordable housing purposes. This allows an element of open market housing to make the affordable housing viable. These developments must be affordable led not market led.

#### **Recommendation 15**

- 2.17 Having declared a housing crisis the ideas set out in points 1-14 of the substantive motion be given further consideration at a meeting of the homes, hub advisory committee, an informal council session and that future meetings of the Hub be supplemented by published agenda reports and an evolving draft action plan.

#### **Actions**

2.18.1 The Hub Advisory group met after the declaration of the Housing Crisis and were instrumental in ensuring that the crisis became embedded into the Housing Strategy.

2.18.2 The Hub has received a report on matters pertaining to the Housing Crisis at every committee meeting and the Lead Member meets with the Head of Housing each month.

### **3. Brentor directly delivered affordable housing scheme**

- 3.1 On the 1<sup>st</sup> of November a report was presented to the Hub committee on the Housing Crisis. One of the recommendations was to cease work on a directly delivered affordable led housing scheme at Brentor.
- 3.2 At the meeting the decision was taken to defer the vote on this recommendation, following an address by the local member who raised concerns around the methodology of the Housing Needs survey. It was also requested that the Council consult with Brentor

Parish Council to fully explore the Housing Need within the parish, gathering definitive information on current requirements and this information be brought to the next meeting of the hub committee for further consideration. There was also a commitment to contact the landowner.

3.3 The Head of Assets has contacted the Landowner, it is the intention to continue this dialogue once the issue around the housing needs survey has been addressed.

3.4 Officers have not yet contacted the Parish Council. It is important to separate the concerns raised regarding the Housing Needs Survey before work recommences with the Parish Council and the wider community. The Council set out ways in which it would be willing to help in the 1<sup>st</sup> of November report

3.5 We raised the Members concerns with Devon Communities Together, who reviewed the survey data. Having done so they confirmed that;

- The identified need for 5 one-bedroom properties and 1 two-bedroom property in Brentor remains the established need.

However

- A number of people under 55 did complete the survey, contrary to that stated in the Hub report. Under 55's equated to 16% of the respondents (14 of the 88). Devon Communities Together has accepted that this part of the report should have been clearer.

3.6 Data protection declarations on the original survey prevents the individual surveys being shared with the Council. A copy of the Housing Needs Survey report and application form are appended to this report.

3.7 In light of the evidence, it is still the recommendation to the Hub Committee that the Council ceases work on a directly delivered affordable led housing scheme at Brentor.

### **3. Proposed Way Forward**

#### **5.1 Declaration of a Housing Crisis**

The Council has projects at Springhill and Wonnacotts Road that will bring forward much needed accommodation in the Borough. Significant staff resource has been assigned to these projects and it is essential that there is good governance, and clear understanding of appropriate time scales and likely cost to the Council.

- 5.2 It is imperative that the Council continues to lobby Government to bring about the legislative changes and continue to champion our causes on Exempt accommodation, holiday accommodation and second homes and the Broad Market Area boundaries – on this issue alone there has been no significant change to the local housing allowance in these areas since 2011.
- 5.3 Collating evidence on affordable housing as part of the JLP review in 2024 will remain a focus as will delivery on the Housing Strategy. A year 3 action plan will be presented to members in Spring 2023.
- 5.4 As well as opportunities on our own land we need to continue to make best use of stock and continue to promote energy efficiency grants and downsizing payments not just to deliver on the Council’s climate crisis but also to support residents with the cost of living and particularly the high price of energy.

## 5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	There are no legal implications as a direct result of this report.
Financial implications to include reference to value for money	N	There is no financial request as a direct implication of this report. However, many measures are subject to significant expenditure, and these will be brought to Members at the appropriate time with the relevant business case.
Risk		There is no risk as a direct implication of this report
Supporting Corporate Strategy		Homes
Climate Change - Carbon / Biodiversity Impact		There are no direct implications because of this report
<b>Comprehensive Impact Assessment Implications</b>		
Equality and Diversity		None as a direct implication of this report
Safeguarding		None as a direct implication of this report

Community Safety, Crime and Disorder		None as a direct implication of this report
Health, Safety and Wellbeing		None as a direct implication of this report
Other implications		

**Supporting Information**

Appendices:

Appendix 1 – Housing Needs Survey Brentor

Appendix 2 – Copy of the Housing Need Survey Application form

Background Papers:

None