

Report to: **Hub Committee**

Date: **9 April 2024**

Title: **The West Devon Housing Offer and
Princetown Scheme Proposals**

Portfolio Area: **Housing - Cllr Renders**

Wards Affected: **all**

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RECOMMENDATIONS:

It is RECOMMENDED that the Hub Committee:

- 1. SUPPORTS and launches the West Devon Housing Offer to communities to support affordable housing delivery;**
- 2. NOTES the initial budget of £50,000 agreed as part of The Council Plan to fund the West Devon Housing Offer**
- 3. NOTES the update and progress on the Princetown scheme at Moorland View; and**
- 4. AGREES to utilise a grant payment from DNPA s106 receipts of £173,000 for the purpose of affordable housing delivery with Princetown being the preferred scheme.**

1. Executive summary

- 1.1 As part of the Council's commitment to tackling the housing crisis it is proposed to implement a new housing initiative to support the delivery of community housing development in the Borough, by launching the "West Devon Housing Offer."
- 1.2 To deliver this comprehensive package, it is intended to allocate staff resource and a new initial funding commitment of up to

£50,000 as agreed in The Council Plan. This will be made available to finance activities including researching and forming community housing groups such as CLTs, technical support and professional services for viability studies.

- 1.3 From this initial site review, an Outline Business Case will be produced to confirm viability and recommend next steps. Subject to approval and further funding, a more detailed feasibility study will be undertaken in conjunction with the community group to formulate a deliverable scheme which will then be matched with a potential delivery partner.
- 1.4 By “unlocking” sites through this initiative, and working with our trusted partners, the Council will facilitate and expedite delivery at a scale it cannot do through direct development on its own.
- 1.5 A further benefit of this approach in taking schemes to a feasibility stage is the opportunity to shape them in line with the Council’s environmental priorities. Specific requirements could then be included within a specification document that would form part of a “Development Agreement” with the delivery partner.
- 1.6 It is recommended that the offer is financed from the funding identified and budgeted in The Council Plan. Any further decision on additional funding will return to the Hub Committee for consideration alongside evaluation of the progress to date.
- 1.7 The report also sets out the progress that has been made on the Princetown site jointly owned by the Council and DNPA with potential funding in place to obtain planning consent for a 100% affordable social rented scheme.

2. Background

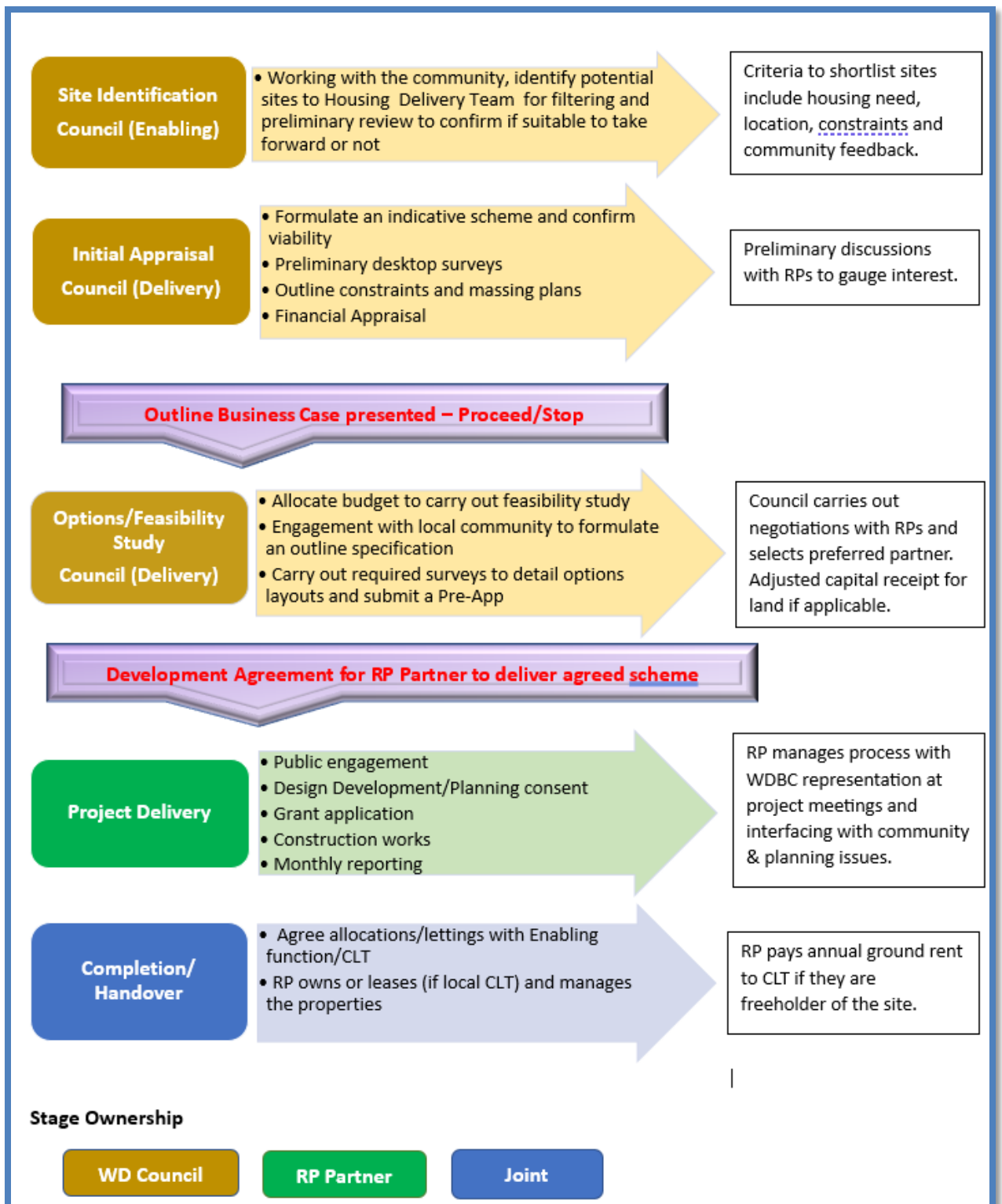
The West Devon Housing Offer

- 2.1 The Council has been clear in its desire to provide support to communities who are serious about bringing forward affordable housing in the Borough.
- 2.2 Members have expressed interest in supporting community groups and willing landowners with practical advice at an early stage to establish site suitability, local housing need and appropriate development.

- 2.3 It is recommended that 'The West Devon Housing Offer' (WDHO) launches in May 2024 and will:
- Provide funding for community groups to research, and if appropriate choose a suitable legal form of incorporation
 - Have early meetings with the ward member, community representative or CLT who wish to engage.
 - Meet with landowners and set out the process and the options
 - Establish local housing need (for planning permission purposes) and engage with the neighbourhood plan (adopted or emerging)
 - Facilitate community awareness events
 - Look at site viability and constraints
 - Instruct initial design work to produce site massing plans and look at viability issues.
 - Enable production of an Outline Business Case to confirm viability through a financial appraisal and provide recommendations.
 - Provide a solid foundation on which to approve schemes for further development through options and feasibility studies to a point where they can be handed over to a suitable delivery partner to develop.
 - Help promote balanced and sustainable communities with high quality housing, and contribution to biodiversity net gain wherever possible.
 - Encourage and advocate for the development of energy efficient affordable homes to reduce carbon emissions and reduce household heating costs.
- 2.4 Engagement with Registered Providers has confirmed that these are the critical steps that they often don't have capacity to do themselves, from which point onwards they are willing and able to support delivery.
- 2.5 Where schemes are confirmed as viable to develop, subject to approval and potential additional funding, further detailed design and survey work will be carried out with community involvement to produce a feasibility study with pre-application planning advice. Potential developments will then be matched with an appropriate delivery partner (typically a Registered Provider) who will undertake the development and bring forward the homes, which they will then either own or lease from a CLT and manage.
- 2.6 Consideration was given to whether the Council should look at a procurement exercise to secure a delivery partner, however

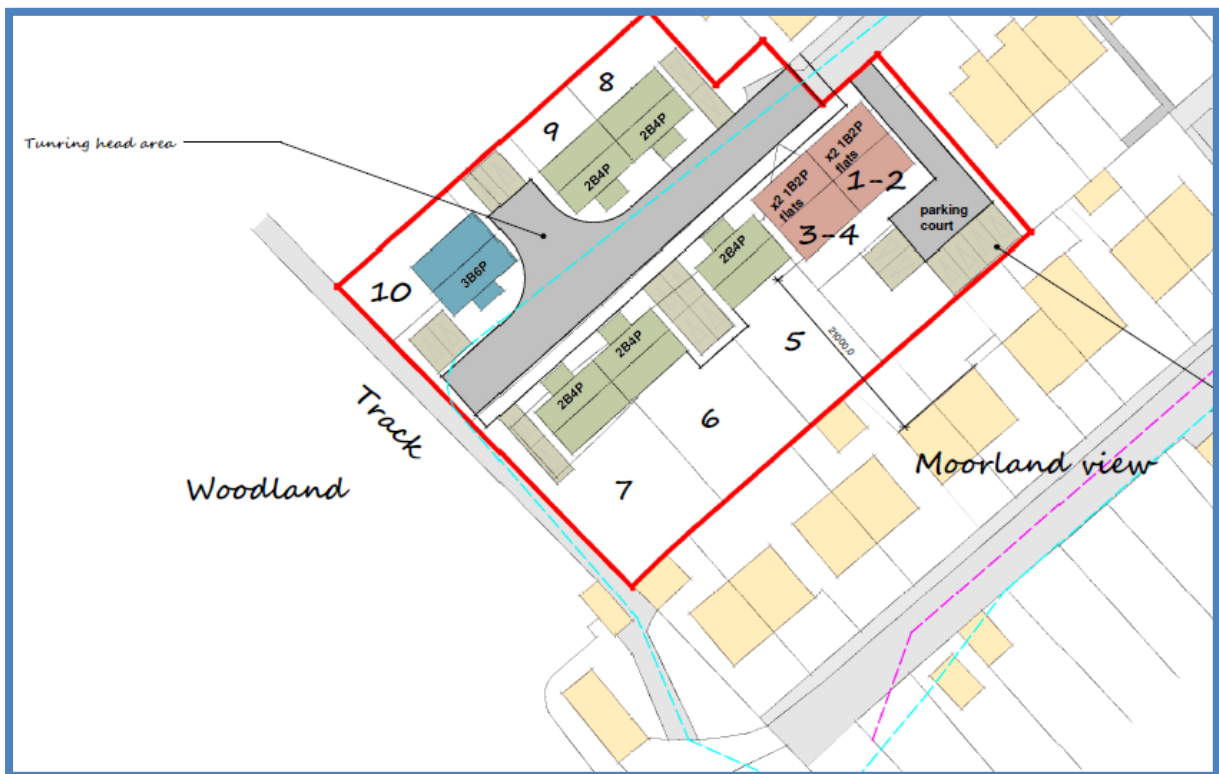
following in depth discussions at a focus group of Registered Providers it has become clear that having a wider approach, in which all possible partners are able to benefit from the programme represents the best chance of identifying a willing delivery partner – a step that is evidenced to be critical in the delivery of CLT schemes.

- 2.7 During negotiations with potential delivery partners consideration will be given to their approach to building standards. This will include criteria such as design quality, energy efficiency and the environment, for example specifying the use of heat pumps, design to a minimum EPC 'B' rating and the provision of natural biodiverse spaces.
- 2.8 All sites will be subject to early scrutiny and constraints considerations (at no cost) which will ensure that funding is only spent on sites with potential, but the Council must recognise that this early viability work is at times abortive and so the expenditure may be at risk.
- 2.9 An illustration of how the West Devon Housing Offer might work in practice is set out below. This approach can be tailored to suit the characteristics of each scheme:



Council owned site at Princetown

- 2.10 WDBC own a plot of land on Hessary/Moorland View directly adjacent to a larger plot owned by DNPA, and discussions previously took place in combining them to bring forward a small housing development in partnership.
- 2.11 These discussions have recently been reactivated and an outline massing plan produced for a scheme of 10 social rented properties as illustrated below. Comments have already been received from DNPA in a planning context and will be incorporated into the next design stage.



- 2.12 DNPA will provide their land at zero cost, subject to a potential residual land receipt while WDBC will lead and submit a planning application with DNPA maintaining a passive monitoring role and as the Planning Authority.
- 2.13 At their Authority meeting of 1st March 2024 DNPA formally agreed to allocate £173,000 of their s106 receipts for the delivery of this scheme administered through a grant agreement in the form of a Deed paid directly to WDBC. Include formal DNP minute reference when required.
- 2.14 The terms of the grant are subject to final agreement between DNPA and WDBC, with key proposals including the following:

- The grant is to be used for the purpose of Affordable Housing delivery with the default scheme being Hessary View, Princetown.
- If the Hessary View site proves to be undeliverable, funds can be allocated to other schemes within the Dartmoor national Park area by agreement with DNPA.
- Any residual grant can be transferred to a Registered Provider to deliver the scheme subject to entering into a Deed of Covenant with DNPA
- WDBC will receive a Management fee of 1% of the Total Scheme Cost to deliver the project to planning stage (estimated at £22,000), payable directly from the grant.
- The final date to spend all monies from the s106 Agreement is 11 August 2025 and anything unspent is required to be returned to DNPA

2.15 The intent is to procure an RP partner to deliver the scheme post planning and own/manage the properties. If there is a resultant land receipt it will split proportionately between DNPA and WDBC based on site areas. The terms of this will be incorporated into a separate Land Collaboration Agreement.

3. Proposal and Next Steps

3.1 Note the update regarding the Council owned site in Princetown and agree to utilise the DNPA grant in support of housing delivery, with first preference being the Hessary View scheme.

3.2 Agree to launch the West Devon Housing Offer from May 2024.

4. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Terms of agreements will be reviewed by Legal prior to executing.
Financial implications to include reference to value for money	Y	Members have already approved £50,000 in The Council Plan for capital expenditure on this project (As set out in H1.1 of the Council Plan - Work with housing associations and community land trusts to improve the number of affordable, safe and good quality homes delivered for our residents).

		<p>It is important to acknowledge there may be some abortive costs, if for example a survey demonstrated that there was no prospect of delivery. A cap of £10,000 per scheme expenditure at risk is proposed, before a decision to incur additional funding is made by the Director of Place & Enterprise in consultation with the Director of Finance.</p> <p>In addition to the provision of new affordable homes in Princetown, the agreement with DNPA offers potential for the Council to realise a capital value in its land holding.</p>
Risk	Y	Reputationally the Council has been clear that it wishes to help communities help themselves. The West Devon Housing Offer resonates strongly with this ambition.
Supporting Corporate Strategy	Y	Homes
Consultation & Engagement Strategy	Y	<p>Before creating the West Devon Housing Offer officers engaged with leading CLT supporting landlords active in Devon. They also commissioned Middlemarch to complete a report with examples of best practice.</p> <p>Stakeholder consultation and engagement will be carried out in relation to the Princetown site as the design develops.</p>
Climate Change - Carbon / Biodiversity Impact	N	None as a direct result of this report
Comprehensive Impact Assessment Implications		
Equality and Diversity	N/A	
Safeguarding	N/A	
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing	N	
Other implications		

Supporting Information

Appendices:

None

Background Papers:

None