

Open

NORTH DEVON COUNCIL



REPORT TO: EXECUTIVE

DATE: 07.01.2019

TOPIC: COMMUNITY HOUSING FUND – HOUSING NEEDS SURVEYS & DELEGATED AUTHORITY

REPORT BY: SERVICE LEAD HOUSING MARKET BALANCE

1 INTRODUCTION

- 1.1 In 2016/17 North Devon Council received an allocated £667,869 sum from DCLG and this was placed into the Community Housing Fund earmarked reserve.
- 1.2 Rural CLT sites are notoriously more challenging to develop due to the very issues that discourage developers from building in such parishes: the topography, the lack of developable land, the lack of interested landowners, the planning policy allocations for land often requiring high levels of affordable housing (exception sites), high levels of site abnormalities¹, adverse impact on character and amenity, sites in conservation areas, difficult access points, protected leaseholds and the significant viability issues to bring the rents down to an affordable level at social rent. This all takes time and resource (people and finance). In addition, there is the added time needed to complete housing needs surveys, form community groups and work within their time restraints as volunteers and gain community trust and interest.
- 1.3 This report addresses the unallocated balance of £417,769. The balance is set aside for the 5 original parishes² to make their schemes viable. However, it has not been formally allocated because until the land is available and feasibility/planning work has been completed, the full costs of policy compliant schemes at social rent levels will not be known. The feasibility work will also establish whether the balance of £417,769 is adequate to make the schemes viable; it may be necessary to apply for further funding from the Government's second tranche of funding – the Community Housing Fund 2018-20.

2 RECOMMENDATIONS

- 2.1 That Executive approves the following two items:

¹ Items not normally expected for sites such as contamination, ground stabilisation, flood works etc.

² Mortehoe, Lynton & Lynmouth, Parracombe, Combe Martin and Chittlehampton.

2.1.1 That £40,000 from the Community Housing Fund earmarked reserve be allocated to the Community Affordable Housing Grant for Housing Needs Surveys.

2.2 That power be delegated to the Head of Environmental Health and Housing in consultation with the Executive Members for Health & Wellbeing for the remaining balance of the Community Housing Fund for appropriate revenue or capital items that fit the criteria of the Community Housing Fund and move forward community-led affordable housing.

3 REASONS FOR RECOMMENDATIONS

3.1 To allocate the Fund effectively to achieve its stated aims “to enable capital investment, technical support and revenue to be provided to make more schemes viable and significantly increase community groups’ current delivery pipelines”.

3.2 To invest in communities and increase rural affordable housing stock.

3.3 To continue the level of progress made on the original 5 parishes working towards community-led housing and generate a continued pipeline of sites.

4 REPORT

4.1 This report is divided into 2 areas:

4.1.1 Increasing the Community Affordable Housing Grant by £40,000 to provide for Housing Needs Surveys

4.1.2 Delegating power to the Head of Environmental Health and Housing in consultation with the Executive Members for Health & Wellbeing for the spend of the balance of the Community Housing Fund

Item One: Housing Needs Surveys

4.2 Devon Rural Housing Partnership have been working hard to produce a pipeline of communities that are potentially interested in community-led housing schemes for the future. As part of the initial work with a Parish Council one of the first steps after contact is often to carry out a housing needs survey to make a judgement on the level of affordable housing need in the area and to raise awareness of the issue before further work is undertaken.

4.3 For the last three years “Awards for All” funding has been used by Parish Councils to fund Housing Needs Surveys. Unfortunately, due to demand the last three bids have been rejected and it has been confirmed that this source will no longer be available to Parish Councils.

4.4 The Community Housing Fund Board³ (November 2018) proposed the allocation of funds from the Community Housing Fund for this purpose. This is essential to establish a pipeline of parishes interested in community-led housing with a proven

³ From the outset of the Community Housing Fund, Executive were keen to monitor the progress of community-led housing. This officer/member working group was set up to push forward work on these sites and unblock issues where possible. Devon Rural Housing Partnership attend and report.

need for affordable housing. Alternative funding sources have been explored such as Supermarket Funding and Nationwide Funding but there is a need for match-funding or the types of projects funded are more physical, environmental projects. Parishes can apply to the Community Housing Fund 2018-20 but the funds will not be immediate, paid in arrears and 10% must be self-funded.

4.5 Officers recommend £40,000 from the Community Housing Fund earmarked reserve be allocated to the Community Affordable Housing Grant to fund Housing Needs Surveys for the Rural Alliance, Chittlehampton, Georgeham, North Molton, Instow and Westleigh. This amount would also leave a small amount to cover four to five additional housing needs survey if necessary.

4.6 Officers can extend the current guidelines and application forms set up for the initial grant for the Community Affordable Housing Grant. As part of their Service Level Agreement with NDC, Wessex appraise all grant applications from community groups, ensuring they are compliant with grant criteria and recommending whether an application be authorised or declined. Delegated Authority is already with the Head of Service for Environmental Health and Housing to award community affordable housing grants (June 2017 Executive).

Item 2: Delegated authority for spend of balance

4.7 The Community Housing Fund Board also recommended that power be delegated to the Head of Environmental Health and Housing in consultation with the Executive Members for Health & Wellbeing for the remaining balance of the Community Housing Fund for appropriate revenue or capital items that fit the criteria of the Community Housing Fund that will move forward community-led affordable housing. Officers will report quarterly to the Community Housing Board and via the quarterly performance and financial management report on the progress of the community-led affordable housing schemes and the spend of the Community Housing Fund.

5 RESOURCE IMPLICATIONS.

5.1 All costs identified can be funded from the existing balance of £417,769

6 CONSTITUTIONAL CONTEXT

Article or Appendix and paragraph	Referred or delegated power?	Key decision?
Article 7.7 and Part 3, Annexe 4	Delegated	Yes

7 STATEMENT OF CONFIDENTIALITY

7.1 This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

8 BACKGROUND PAPERS

8.1 The following background papers were used in the preparation of this report: None

9 STATEMENT OF INTERNAL ADVICE

9.1 The author (below) confirms that advice has been taken from all appropriate Councillors and officers.

Executive Members: Councillors Moores and Jones

Author: Jaimie Jeyes

Date: 26.11.2018

Reference: 181126 Exec Jan 2019 Community Housing Fund HNS & Delegated Authority JJ
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