

North Devon Council Environmental Health & Housing Services

Affordable Housing Delivery Plan

2012 – 2017



Date	Type of Amendment	Sections (if applicable)
11 th March, 2008	Adopted	
December 2009	Revised	
9 th March 2010	Readopted	
September 2010	Revised	section 10
14 Dec 2010	Revised	section 8
December 2011	Full Review	
6 March 2012	Adopted by Executive	All sections
May 2013	Approved Executive July 2013	Revised introduction Sections 1 2 4

CONTENTS

<u>FOREWORD</u>	<u>3</u>
<u>INTRODUCTION</u>	<u>4</u>
<u>SECTION 1 - WHY IS THERE A NEED FOR AFFORDABLE HOUSING?</u>	<u>5</u>
<u>SECTION 2 – WHY HAVE AN AFFORDABLE HOUSING DELIVERY PLAN?</u>	<u>9</u>
<u>SECTION 3 – WHAT IS AFFORDABLE HOUSING?</u>	<u>11</u>
<u>SECTION 4 –DELIVERY</u>	<u>14</u>
<u>SECTION 5 – TOOLS AVAILABLE</u>	<u>17</u>
<u>SECTION 6 - PARTNERSHIP</u>	<u>20</u>
<u>SECTION 7 – ECONOMY</u>	<u>23</u>
<u>SECTION 8 – MONITOR AND REVIEW</u>	<u>24</u>
<u>APPENDIX 1 – HOUSING INFORMATION</u>	<u>25</u>
<u>APPENDIX 2 – SIZE AND TENURE OF HOMES</u>	<u>26</u>
<u>APPENDIX 3– PRIORITY SITES</u>	<u>28</u>
<u>APPENDIX 5 – APPROVED CAPITAL PROGRAMME</u>	<u>30</u>
<u>APPENDIX 6 – RHP PARTNERS (DEVELOPMENT)</u>	<u>31</u>

FOREWORD

By Executive Member for Housing, Councillor Faye Webber

The council's Affordable Housing Delivery Plan is updated annually, and sets out North Devon's need for affordable housing and the process that council officers will follow to deliver it.

The number of new houses being built has been hit hard by the economic downturn. In addition changes in government policy on housing and benefits are having an increasing impact on local people.

People are experiencing increasing problems with housing and the council is committed to help.

We need to address the shortage of affordable housing in the area by increasing the number of homes to rent and helping people get on the housing ladder. Increasing and improving the housing stock has social, economic and environmental benefits for our community.

This plan was developed to help us provide more much needed affordable housing in North Devon and, working closely with our partners, I am confident that we will be able to achieve this.

Faye Webber.

INTRODUCTION

Housing is an issue that is high on our communities' and the Government's agenda.

The housing market in North Devon is characterised by the following issues:-

- High house prices;
- Low incomes;
- High Second home ownership;
- Low social rented housing;
- Poor quality private housing.

These factors all mean the Council needs to address housing issues, as our housing market is unbalanced. Failure to address these issues will result in high levels of:-

- Homelessness;
- Ill health from poor quality housing;
- Households struggling to pay their housing costs;
- High reliance on benefits.

The Council has an objective to tackle the housing problems of the area and it will do this on 3 fronts:-

- Help minimise the demand for housing by providing good housing advice and prevention of homelessness;
- Improve existing housing by robust interventions, enforcement, grants and loans to the private sector (rented and owner occupied);
- Increasing the supply of affordable housing.

This document sets out how we will seek to increase the supply.

The Council understands that there are significant barriers to delivering affordable housing and how important it is to use housing (and affordable housing) as a tool to enable economic regeneration in the area.

The current economic climate makes delivery of affordable housing difficult, particularly due to limited funding from Government. Therefore the Council needs to look at different ways of delivering affordable housing.

This includes using Council land, Council funding, innovative means of delivering affordable housing and the use of open market housing to provide cross subsidy for schemes.

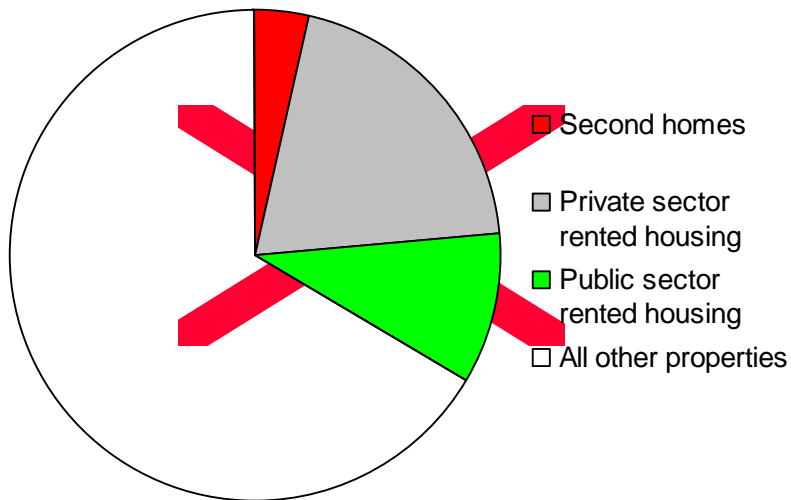
The Council is also aware that schemes have to provide the land owner with financial return and the developer with profit. So it will take into account the viability of sites when negotiating with developers.

SECTION 1 - WHY IS THERE A NEED FOR AFFORDABLE HOUSING?

The North Devon housing market is typified by high house prices and low incomes. This has led to a reliance on the rented sector (private and social) as households on average incomes find it hard to afford to get on the housing ladder. People can often afford the monthly payments of the mortgage itself but not the huge deposits that are required to access low rate mortgages.

Figure 1: Proportions of housing types in ND

North Devon has a low proportion of public sector housing (owned by housing associations) with only around half the national average. We also have about twice as many second homes as usual, up to 27% in some parishes. These are only used occasionally. This pushes up the cost of the available housing for local people. We also have a large private rented sector, but it is sometimes expensive and of poor quality.



Second Homes

There are 1,578¹ second homes in North Devon, amounting to nearly 4% of total stock, compared to the national average of just 1.1%². There are significant hot spots of second homes mostly around coastal areas where up to 1 in 4 houses are second homes.

The most popular region for second homes in England is the South West. Whilst the region accounts for only 11% of all households nationally, it accounts for 21% of all second homes.³

Also over the last 9 years the number of second homes in the area has risen by 65%, from 955 (in 2002) to 1,578 (2013). The number of dwelling houses (registered for council tax) over the same period only increased by 7%⁴.

Land Supply

In addition to these constraints on housing supply, 52.1% of the district's land is classed as environmentally important, restricting the land available for

¹ Using NDC Council Tax records from 31st March 2013

² CLG, Number of second homes as a percentage of total number of dwellings on the Valuation List as at 12 September 2011 from LA Council Taxbase - England - 2011 Statistical Release

³ CLG, Housing in England 2006/07: A report based on the 2006/07 Survey of English Housing (September 2008)

⁴ Using the latest NDC Council Tax records from 31st March 2002 up to 2013

building (e.g. Areas of Outstanding Natural Beauty, Sites of Scientific Interest, National Park land).

Empty Dwellings

1,485 dwellings are currently vacant⁵ in our area; this represents 3.4% of the total stock, which is below the national average of 4.2%⁶. Of these, 590 (1.3%) properties are classed as long-term empty as they have been vacant for more than 6 months. The Council's Private Sector Renewal Strategy will outline more about the things the Council will do to address this.

Affordability of home ownership

Incomes in North Devon are extremely low in comparison with national figures. Although house prices have fallen over recent years, in North Devon the house price to income ratio is still one of the highest in England. This leads to affordability issues for local people wanting to buy their own open market house:

Table 1: Affordability figures for North Devon, 2010⁷

Type of household	Household income	House price	Affordability ratio	Deposit required (25% house value)	Mortgage obtainable (3 x income)	House price obtainable (Deposit + mortgage)
75% of households on housing list	Less than £15,000	£158,000 (LQ) £237,914 (AV)	10.5 15.9	£39,500 £59,479	£45,000	£84,500 £104,479
Lower quartile of households	Average £18,393	£158,000 (LQ) £237,914 (AV)	8.6 12.9	£39,500 £59,479	£55,179	£94,679 £114,658
75% of North Devon employees	Less than £23,682	£158,000 (LQ) £237,914 (AV)	6.7 10.0	£39,500 £59,479	£71,046	£110,546 £130,525
Average household	Average £31,511	£158,000 (LQ) £237,914 (AV)	5.0 7.6	£39,500 £59,479	£94,533	£134,033 £154,012

The diagram, at figure 2, shows the type of wage you would need to earn as a household to get a mortgage for a lower quartile house and the average house in North Devon.

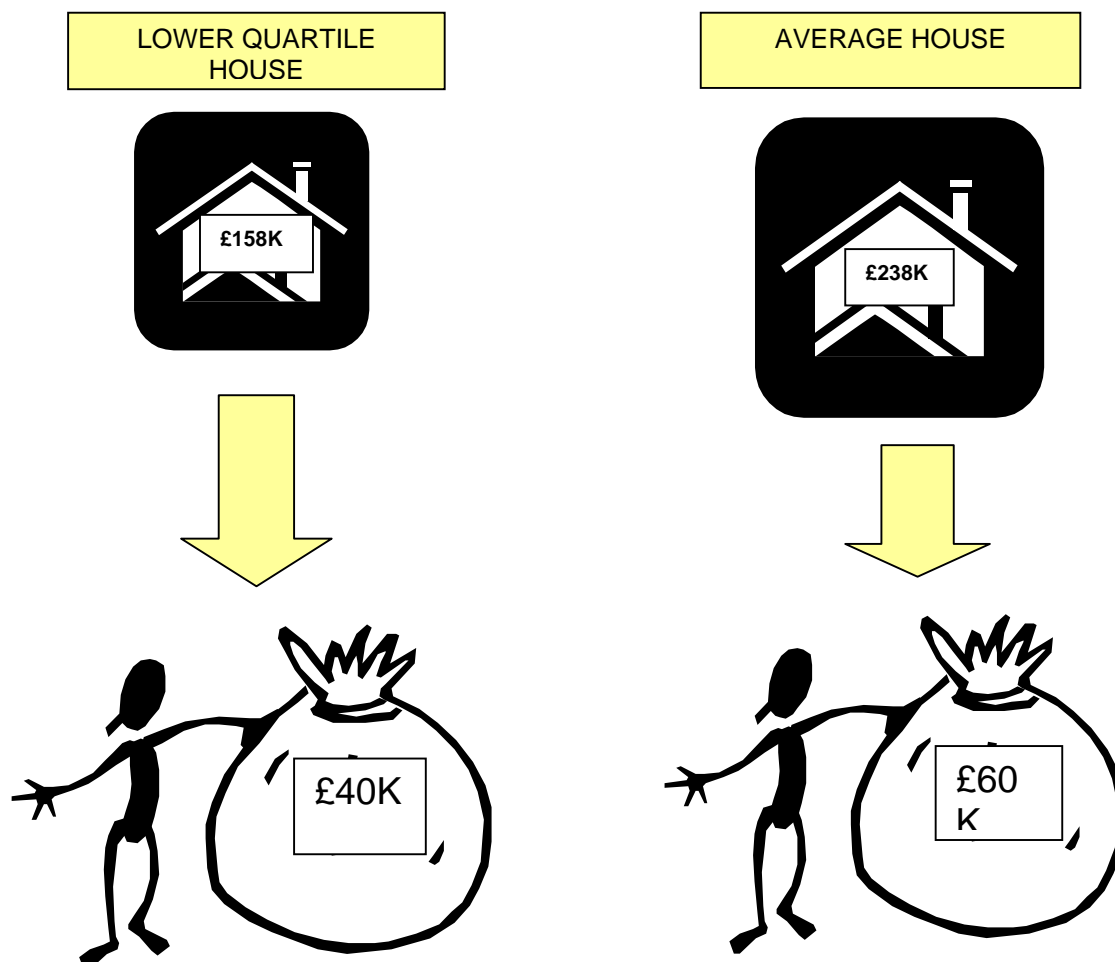
This is calculated at 75% of the value of the house (based on better mortgage rates with a 25% deposit) and a mortgage obtainable at 3 times gross household income (before tax). Please note that the amount you can borrow depends on the lender but a 3 times rate is a good illustration of what is classified as affordable.

⁵ Using the latest Council Tax records from 31st March 2013 and the CLG definition of empty

⁶ English Housing Conditions Survey 2007 (latest available)

⁷ All Hometrack 2010 data apart from NDC earnings (internal data) & Housing Register data

Figure 2: Gross household income required for housing in North Devon



Affordability of Rented Housing.

For those households that cannot afford even the lowest priced house for sale then renting is the only other option.

In North Devon the affordability of rent in the private sector are some of the highest in the country.

North Devon was the 68th (out of 329) least affordable place in the country for private rents⁸

⁸ Shelter Report. Shelter Private Rent Watch Oct 2011

A report by Shelter looked at average rents for 2 bed private rented and average household incomes.

This report shows that North Devon is less affordable for private rented than most areas in the County including parts of the South East. Of the 37 authorities that make up the South West only 8 are less affordable than North Devon. These are

- Bath and NE Somerset
- Bournemouth
- Cotswolds
- Exeter
- Poole
- Purbeck
- Torbay
- Weymouth and Portland.

If families are spending a lot on their housing costs or reliant on housing benefit to help them pay their rent, they will not have any 'spare' income to spend in the local economy, so it is important to ensure that housing costs are affordable (whether they are for rent, mortgage or a combination of both).

Housing Need

Our Strategic Housing Market Assessment 2008 concluded that 151% of all new housing needed to be affordable to satisfy the requirements (based on the Regional Spatial Strategy growth targets) in North Devon. This shows the scale of the problem.

In Jan 13 there were 2516 applicants on NDC's housing register. APPENDIX 1 – Housing Information, contains data about housing need and % of social housing by Ward.

North Devon has a low number of social rented homes. Only about 10% of dwelling houses are social rented this is less than the average for Devon 13% and nationally the figure is 20%.

These facts demonstrate the need for a supply of homes that are affordable to local incomes.

SECTION 2 – WHY HAVE AN AFFORDABLE HOUSING DELIVERY PLAN?

The Council's Corporate Plan sets the targets for housing services including affordable housing. This plan will cover those relating to affordable housing

The plan sets out the process and actions the Council intends to take to increase the delivery of affordable housing, or help them access housing.

What will we do?

- Make it easier for housing associations to deliver affordable housing schemes by doing the up-front work early
- Use our own land to encourage more affordable homes to be built
- Allocate £3 million to housing projects to deliver affordable housing and support improvements to the private rented sector
- Work with our partners to develop a list of priority housing sites to be delivered together by 2015
- Examine the possibility to help first time buyers through loans for their deposits

Our targets - how you will know we have done it:

1. Of all new homes, a high proportion will be affordable (in the highest quarter of councils in the south west)
2. To get value for money, a high proportion of those affordable homes will be provided without any public subsidy (in the highest quarter of councils in the south west)
3. Work with North Devon Homes to improve their housing stock and create over 65 additional affordable homes
4. Introduce more financially sustainable ways of helping households obtain alternative accommodation

The past performance of these are set out below.

1. Support North Devon Homes.

- The Council has supported North Devon Homes project which has resulted in the award of government grant towards delivering the scheme.
- North Devon Homes has already demolished and rebuilt homes on a number of estates.
- All the replacement homes should be completed by 2015

2. % of new dwellings that are affordable

- 2012/13 We delivered 65 additional units of affordable housing which is 24% of all the new build.
- Of these the majority (46) were delivered with grant aid (from NDC or Homes & Communities Agency).

3. Introduce First time buyer scheme.

- NDC adopted and funded the Local Authority Mortgage Scheme in January 2013, just a few months after the target date to introduce such a scheme.
- The first people to complete their house purchase using the scheme should finish their purchase in June.

SECTION 3 – WHAT IS AFFORDABLE HOUSING?

What does the Council mean by Affordable Housing?

The term Affordable Housing is used in national policy and locally but it means different things to different people.

- To some it means that housing for sale should be affordable to first time buyers.
- To others it means rented housing for people who are in low paid work or are not working but reliant on some support via benefits.

For the Council⁹ the basic principle is that housing is only affordable if it costs no more than 25% of gross household income. This follows the same principle that says households are in fuel poverty if they spend more than 10% of their income on fuels costs

The cut off point for help should be a household income of £40,000. Those above this income level should be able to find housing on the open market. However, in North Devon few households have incomes at that level (see page 5)

In looking at the household incomes of those in need, and house prices in the area, both the Council's Housing Market Assessment and the previous Affordable Housing Delivery Plan agreed that the type of housing needed to address this need was mainly social rent level, but that some households could afford a more intermediate product.

Therefore the mix of housing to be negotiated or delivered should be:-

75% Social Rent –

This means the rent is at the same level or equivalent of target rent levels (set by the Homes and Communities Agency) this is about 25% of a £15,000 household income

This gives the following as approximate rent levels for different size properties.

	Weekly rent
1 bed	£60
2 bed	£70
3 bed	£80

⁹ 2009 research (Officer/Member working group) into definition of affordable housing.

25% intermediate affordable housing –

Intermediate affordable housing is aimed at households who's income is around £21,000 up to £40,000. At these incomes households could afford a range of tenures and as such a number of types of tenure would be acceptable.

- Intermediate Sale –

This is housing that is for sale (as shared or retained equity or low cost sale¹⁰) and affordable to households where they do not use more than 25% of gross household income on housing costs (mortgage and rental) based on the maximum price for the purchased share being no more than 3 times average household income or less.

Therefore the value of any shared ownership or retained equity element should be no more than £87,500. In any event, if there is rent and mortgage to pay, the combination of both should equal no more than 25% of household income.

For example this is intended purely as an illustration

Purchasing a property with an open market value of £184,950 a shared ownership (part rent, part buy) with a household income of £25,000 would work out as follows –

**To purchase 45% share (£83,228).
With a mortgage interest rate of 5%; a rent paid on the unsold equity of 2.5%; no service charge.**

**The annual housing costs of this would be 26% of gross income.
The multiplier required for the mortgage would be 3.3 times annual income.**

If the home is sold under a retained equity model (where no rent is paid on the unsold equity) there is scope for the proportion that is purchased to be increased.

- New Affordable Rent

The Government has recently introduced a new definition of affordable. This is housing that is for rent at more than social rent but less than market rent. This is a maximum of 80% of market rents.

¹⁰ Where the homes remain affordable in perpetuity secured by a legal agreement.

The Council will consider agreeing to this being used only where it is being proposed instead of shared equity or ownership. Or where the bid is part of a framework that includes homes being grant aided in North Devon's administrative area. Registered Providers can only charge this rent if the homes are part of a bid framework to the Homes & Communities Agency. The Council would support such a bid where it formed a package providing additional homes in North Devon. Support for such bids are subject to an Executive decision.

- **Intermediate rent**

This is a property where the rent is set at about 80% of the local housing allowance used for calculating housing benefit payments.

- **Low cost sale**

The Council may approve this form of sale provided that the property can only ever be sold at the agreed % of open market and is secured in perpetuity via a legal agreement. The exact % of Open Market Value the home tied to the home and will depend on its location and the open market value. It is anticipated that the maximum % would be no more than 70% and the product should be aimed at those with household incomes of £21-£40,000. However, it is unlikely to be acceptable if all the homes on a site are proposed as low cost sale or only affordable by households with higher income levels.

The Council accepts the above are general principles that should be aimed for.

Differing schemes may be agreed when working with a Registered Housing Provider (or Registered Social landlord or Housing association) or other established Affordable Housing delivery partners.

Furthermore, the % or tenure may be altered in order to make a scheme viable, please see the Supplementary Planning Document for Affordable Housing for more details.

Council also determines the house sizes required for affordable housing provision. This has been considered by Members and the % and rationale are set out at APPENDIX 2 – SIZE and TENURE OF HOMES.

SECTION 4 –DELIVERY

The Council secures affordable housing in 2 ways.

1. As a condition of planning application (106) which requires a % of affordable housing to be delivered (without grant) by the developer. For ease of understanding this is called **Re-active** delivery.

Examples of recent schemes are Nadder Lane, Meadowbrook, SWW site, Brannoc Fibres, Joeys Field, Scrapyard.

Re-active work is outside the Council's control and is reliant on developers bringing schemes forward. In these cases Officers will negotiate affordable housing in line with the Local Plan, Supplementary Planning Document on Affordable Housing and this document (which sets out the tenure, house sizes normally required).

In these cases Ward Members are consulted as part of the planning process. Planning will be responsible for ensuring this takes place in accordance with agreed procedures.

2. The second way is when Officers work with partners (Registered Providers, Developers, Parish Councils or Landowners) to deliver schemes for affordable housing. In these cases there may be grant or open market homes to aide the delivery of affordable housing. This is called **Pro-Active** delivery.

Examples of recent schemes St Josephs, Bear St (1 and 2), Leigh Villas.

Delivering schemes in a pro active way means involving partners and actively seeking ways to ensure a scheme happens. The process that would normally be followed in pro-active work is set out below.

In these cases, the Ward Member is invited to discuss the site as soon as possible.

PRO ACTIVE DELIVERY

Pro-active work involves a number of steps.

Deciding what areas to work pro-actively in

We know that in North Devon even if all new homes were affordable it would not satisfy the need for affordable homes¹¹.

¹¹ Housing Market Assessment 151% of all new homes need to be affordable to address the needs.

The Council recognised that it does not have the resources (human, financial or land) to take a lead role in the development of affordable housing in every area in the district. Therefore the following areas have been identified as those that our efforts to deliver (over and above the re-active planning provision) should be concentrated in.

Urban Areas

The urban areas of the District continue to have the highest needs. Often they also have the greatest opportunity to secure affordable housing via larger developments. However, in some urban areas there is a need to seek to deliver schemes over and above those provided by developers.

This is so for –

Barnstaple
Ilfracombe
Braunton

Rural Housing

In our rural areas housing need is just as great¹² as it is in urban areas. Affordable housing in a parish can help to create a sustainable community, keeping the village shop or school going.

In order to assess which (Ward) areas should be a priority the Council looked at a number of issues. This included whether there was a suitable, identified site, whether the parish was involved and what opportunities there are for cross subsidy to help fund the scheme.

The following parish areas that have been agreed by NDC as a priority (with identified sites where there is one) are :-

Chulmleigh - Leigh Villas
Combe Martin -
Lynton -
Landkey - Denes Lane
Goodleigh - Land Adj Village Hall
Filleigh - Rear Paynes Cottage
Chittlehampton -
North Molton - Lower poole Farm (1 more unit).
West Down - Bishops Tawton -

In line with this principle a list of priority sites, as shown at APPENDIX 3– PRIORITY SITES has been compiled. These will be progressed by Officers.

¹² Rural affordable needs survey (NDC 2008).

The list is not intended to be a fixed list will be amended over time, in consultation with the Lead Member for housing, Leader and Enabling Officer.

In all other areas the Council will seek to address the need by securing a % of any development as affordable.

It should be noted that the Council may still work with partners if opportunities in other areas occur.

Pro-Active Process

This is the process that Officers will follow in seeking to deliver sites pro-actively. In these cases Officers will involve Ward Members at the earliest point in the process.

In the areas identified above the following process will be used to secure affordable housing schemes:-

- Identify all sites allocated for housing in the adopted Local Plan;
- Identify those sites which have planning permission and those that do not;
- Identify possible exception sites;
- Identify land owned by the Council;
- Discuss with Planning the suitability of sites for residential development (if not an allocation site);
- Contact the relevant Ward Member(s) of the Council and arrange a meeting with the Lead Member for Housing to discuss the site;
- Discuss with developers (Registered Provider or other) the anticipated infrastructure requirements; site capacity and other obligations and the financial viability;
- Identify landowners;
- An approach will be made to the landowner, this may be done by the Council, Registered Provider, developer, Local Member (Parish or District) in the first instance. (The Rural Housing Project or the Council will then need to negotiate terms.)
- If agreement on the land is reached, then the next step is to discuss possible design with planning;
- In some cases, some work may need to be done regarding housing need;
- The method of funding the scheme will need to be discussed, this could be by cross subsidy, Homes & Communities Agency , Council funding or other.
- Project Appraisal Group bids may need to be completed and submitted if Council grant is required; furthermore Executive will need to make a recommendation to full council for approval in the Council's capital programme;
- Planning application will be made;
- Normally, if a bid for Homes and Communities Agency funding, is required, it will be made following planning approval.

SECTION 5 – TOOLS AVAILABLE

In order to develop schemes the Council has some tools it can use, such as funding, land, its powers of Compulsory Purchase Orders (CPOs) and by supporting bids for funding made to the Homes and Communities Agency.

Funding

Funding for affordable housing comes mainly from the Homes and Communities Agency and North Devon Council's Capital Programme. There are also some commuted sums, secured as part of a planning obligation (106), available in specific areas. See the attached APPENDIX 5 – Approved Capital Programme

North Devon Council

Under S24 Local Government Act 1988, the Council can, by virtue of the General Housing Consent 2010 (given under authority of Section 25), fund in a number of ways without making specific requests to the Secretary of State. The General Housing Consent 2010 enables the Council to do the following:-

Consent A.

Provide land to a registered provider for housing accommodation or other facilities intended to be used by the occupiers of the housing accommodation

Consent C

May provide any person with any financial assistance for the purpose or in connection with matters mentioned in S24(1) of the 1988 Act (privately let housing).

With limited Council resources (both in terms of developable land and funding) it is vital to achieve as much as possible maximising funding by using the following options:-

- a) A range of housing to include open market to provide cross subsidy.
- b) Provision of land by way of lease or sale at less than the market value (where the land is owned by NDC).
- c) Use of commuted sums or capital grant.
- d) Supporting bids to the Homes and Communities Agency.

Executive will need to approve any proposal to use capital funding (in the Affordable Housing Pot or commuted sums).

If a scheme requires sole funding from the Homes & Communities Agency then the Lead Member for housing can agree to such support provided that the Ward Member is not against the proposal. If the Ward Member(s) do not agree the Executive will determine if the Council will support the bid.

Council Owned Land

North Devon Council is required by law to gain maximum land value from the sale of assets.

However, the Council is able to provide land at less than market value if the homes are affordable homes for rent. This is allowed by law by - The General Consents 2005: Section 25 of the Local Government Act 1988 Local Authority Assistance for privately let housing¹³.

The Council may apply to the Secretary of State for consent for disposal of land which fall outside the general consents within the above order.

Compulsory Purchase Order

On some sites, either allocated for housing in the local plan or with a planning consent which are not coming forward for delivery, the Council will consider the use of Compulsory Purchase Order (CPO) powers if the Council is unable to secure the land by negotiation.

This power is given by S.17 Housing Act 1985. However, the **prior consent** of the Secretary of State is required to take this course. That prior consent is quite separate from, and in addition to, the final confirmation of the Orders in due course.

Such landowners would not be prejudiced, since a CPO would not be confirmed until the Council could prove that the scheme was deliverable and that planning consent had either been secured or there were no obstacles to such consent. Accordingly, the landowners would receive compensation reflecting the full development value of the land.

If it became clear that a CPO was the only way to bring a site forward, it would be subject to a further report to Executive. The Council will also need to secure the authority of the Secretary of State to use CPO as a means of ensuring sites coming forward for development.

Homes and Communities Agency

The Homes & Communities Agency provide grant funding to RHPs. This was achieved via 4 year bidding programme.

The current bidding programme runs from 2011-2015 and bids have been submitted and contracts signed. Included in the contract are indicative bids which mean that they were not scheme specific and therefore there are opportunities to work with RHPs to pull grant funding for schemes.

¹³ ¹³. A: The general consent under Section 25 of the Local Government Act 1988 for the disposal of land to an RHP 2005.

However, it is a requirement of the HCA that schemes funded by them are for rent at the new affordable rent. This level is unlikely to be affordable to many in housing need and would increase benefit dependency.

SECTION 6 - PARTNERSHIP

NDC recognises that it can achieve most when it works in partnership with others.

NDC no longer owns homes for rent (Council Houses) having carried out a stock transfer in 2000 to North Devon Homes. Therefore it can no longer own homes to rent and is not currently able to develop homes.

The main partners the Council will work with to achieve this plan are:-

Town and Parish Councils

In order to deliver the community's wishes, it is vital to work with parish councils. This is carried out in two ways. The first is via the work of the Rural Housing Enabler and the second via our District Councillor Members involvement in schemes being developed as part of this plan.

Rural Housing Enabler

NDC supports this post, which is hosted by Exmoor National Park Authority at Exmoor House, Dulverton. The post-holder works with Parish Councils to:-

- Identify need via surveys;
- Find sites and talk to landowners;
- Bring parties together to overcome barriers.

The steering group for this post is supported by NDC and the postholder attends NDC sites group meetings every 3 months.

Registered Housing Providers

By working with our RHP partners the Council can gain the maximum benefit of their expertise in the development field. This enables the Council to focus its resources on supporting them; informing the development; developing the policy framework ; and ensuring that the appropriate members are kept informed.

A **partnership forum** is held twice a year to discuss general issues and options. The Housing Enabling Team will have **regular meetings** with development partners to discuss progress on specific schemes.

See APPENDIX 6 – RHP Partners (development) for a full list of our RHP development partners.

Private Providers

The Council has worked with developers and other private providers of affordable housing and is always happy to consider alternative delivery methods.

Charities or Trusts providing affordable housing

A number of parishes are seeking to set up Community Land Trusts (CLTs), where the Parish would retain ownership of the land that affordable homes are built on. In most cases they would then use an Registered Provider to manage the homes. There are a number of models for CLTs and at present the Council is, through its work at County level, looking at the use of an umbrella organisation to help CLTs develop.

There are also other Charity or Trust models being developed and NDC is happy to consider any innovative models being progressed. One such example is the retained equity model of housing provided by Affordable Homes UK (AHUK)¹⁴ and the Council is keen to see more of this type of scheme being developed in the area.

Other Statutory Organisations

The Council must work with other statutory organisations to help them achieve its joint aims. In negotiating affordable housing, it will seek to ensure that schemes contain homes suitable for people with disabilities or other supported housing needs (where these have been identified and support costs have been agreed).

Where a scheme is receiving grant aid (either from NDC or the HCA) it will normally be expected to achieve Secured by Design standards¹⁵.

Other Local Authority Partners

Planning and Housing Officers also work in partnership with other districts in the area in Professional groups. The type of work carried out helps to spread good practice among the Districts and tries to achieve consistency between the different partners approach to delivery of affordable housing.

Keeping Communities Informed

The Council recognises that it is important to keep communities informed and so will put regular updates on the delivery of the plan in the Council's

¹⁴ Examples of AHUK retained equity schemes are at Gunswell Lane, South Molton and RGB site, Barnstaple.

¹⁵ This is a design standard which the Police consider to design out crime.

newspaper North Devon Direct. Updates will also be published in the Council's Members Newsletter.

SECTION 7 – ECONOMY

It is recognised that there is a link between housing and the economy. The impact is on a number of levels –

Impact on the area

- House builders as key employers
- House builders as providers of affordable housing subsidised by open market housing
- House building as a tool to regenerate an area by improving the housing or the area
- Builders by provision of employment space

Impact on people

- New homes are more economic to live in (Code 3)
- Lower housing costs means the family have more money available to spend in local area

This was also the subject of a Partnership Forum (9th September 2011) and the Council is working with a task group to move some issues forward to enable the growth of housing and the economy.

The need to ensure that housing is affordable for local people has already been set out in the section regarding affordability of homes (see page 11).

Affordable housing can aid the economy of the area by drawing in funding. Although this may be limited in the future, North Devon is benefiting from grant funding for schemes via the HCA.

SECTION 8 – MONITOR and REVIEW

This plan is monitored and reviewed in a number of ways.

Sites Group

The delivery of affordable housing is monitored by a group (Sites) made up of Officers from across the Authority with the Lead Member for housing attending.

This group is responsible for ensuring that barriers and solutions are identified.

Review of Affordable Housing Delivery Plan

The AHDP itself is reviewed annually and every 3 – 4 years subject to a full revision. It is the responsibility of the Enabling Team to ensure that this is carried out.

Performance

An annual performance report is presented to Executive which monitors delivery against the targets set out on page 9.

APPENDIX 1 – Housing Information

PARISH	Affordable stock in area	Waiting List Jan 13	lettings in 2012/13	average time on list -years	stock turnover %	new rented in year
Fremington	405	165	6	28	1.5%	3
Bishops Nympton	93	31	9	3	9.7%	2
Bratton Fleming	54	31	1	31	1.9%	
Braunton	227	94	11	9	4.8%	
Barnstaple	2111	763	120	6	5.7%	30
Chittlehampton	39	22	0		0.0%	
Chulmleigh	97	31	17	2	17.5%	10
Combe Martin	67	52	4	13	6.0%	
Georgeham and Morthoe	28	27	1	27	3.6%	
Heanton Punchardon	110	39	0		0.0%	
Ilfracombe	563	385	28	14	5.0%	
Instow	19	16	0	0	0	
Landkey	95	68	8	9	8.4%	4
Lynton and Lynmouth	63	27	3	9	4.8%	
Marwood	15	10	2	5	13.3%	1
North Molton	77	40	6	7	7.8%	
South Molton	322	116	19	6	5.9%	
Witheridge	72	18	5	4	6.9%	
Total	4457	1935	240	8	5.4%	50

APPENDIX 2 – SIZE and TENURE OF HOMES

What sort of Property should be sought?

In deciding the size and tenure of homes that will be requested from Developers or when working with an RHP on a scheme.

House Sizes

The Council's housing list gives the basis of what sizes of homes are required to address housing needs in the area.

However, this has to be tempered with the knowledge that most of our statutory housing duties arise for family housing. Furthermore the average waiting time of older persons (over 60) housing is significantly lower than for families. Therefore the 1 bed need is capped at 10%. The family housing is split in line with the needs identified on the housing list.

1 Bed	-	10%
2 Bed	-	60%
3 Bed	-	24%
4 Bed	-	6%

Tenure of homes

The Council has undertaken different research which has concluded that the tenure most needed in the area is social rented. This was based on the outcomes from the Housing Market Assessment and the Task and Finish group that looked at what is affordable in the area. The tenure split thought to most match the needs in our area was-

- 75% - social rent
- 25% - intermediate – meaning shared ownership, shared equity or new affordable rent level.

However, Officers will need to consider the following factors and amend the house sizes or tenures accordingly;-

1. The type of scheme, special needs, RHP led, or developer led.
2. The constraints and location of the site.
3. Suitability of the site (e.g. have the homes got access to gardens or are they flats). Also what size is the design – e.g. no good asking for disabled adapted top floor flats or 3 and 4 bed family homes in a 1 and 2 bed flatted scheme.

4. The Council may request housing specifically designed for the needs of disabled applicants on some sites.
5. In rural areas the Council would not 'normally' seek 1-bed homes, as they are not sustainable in the long term, as they do not allow family growth. However, our Local Letting Policy will allow a degree of under-occupation on schemes with a local occupancy restriction, enabling the Council in some cases to allocate 2 bed homes to childless couples and singles.
6. In the case of grant aided affordable housing, this mix will then be discussed with the RHP/Developer involved to align best with the needs expressed in the Community and viability of the scheme.
7. If a 'local housing needs' survey has been carried out, then these will also be considered.
8. The viability of the site and amending size, tenure or numbers to make a scheme viable.

APPENDIX 3– PRIORITY SITES

								Issues
North Devon Homes PRC								
Forches 1	Barnstaple			√	NA	√	😊	Completed
Forches 2 and 3	Barnstaple			√	NA	√	😊	On Site
Pill Gardens	Braunton	32		√	NA	√	😊	On Site
South View	Bratton Fleming	2		√	NA	√	😊	
Kiln Close	Instow		1	√	NA	√	😊	Completed
Orchard Cottis	Lovacott	2		√	NA	√	😊	
Beechfield Road	Fremington	1		√	NA	√	😊	On site.
Barnstaple Priority Sites								
Bear St (2)		9	0	√	NA	√	😊	Completed
St Josephs		27	9	√	NA	√	😊	. First tenants moved in.
Gorwell		14?			NA		😊	Project group set up to look at options.
Ilfracombe Priority Sites								
bicclescombe		7					😊	Consent to sell site on open market and secure additional affordable housing on site.
Braunton Priority Sites								
Velator		11	11	√	NA		😞	open Market allowed (11 units) to deliver 12 affordable.
Rural Priority Sites								
Leigh Villas	Chulmleigh	10		√	NA	√	😊	Completed
	N. Molton			√	NA	√	😊	On Site
Denes Lane	Landkey				√		😞	Consent Granted.

Scheme Name	Area	Homes (net)		Planning	Suitable site	Funding	Position	Issues
		Rented	Int'ate					
Rural Housing Enabler (CS) Priority Sites								
Bonds Farm	Atherington	4	1	√		NA	😊	Granted Planning permission
Adj. Mayflower Close	Chittlehampton	9	3		√		😞	Awaiting pre planning scheme
Stang Lane	West Down				√		😞	Awaiting pre planning scheme
Rectory Close Parkhill	Combe Martin	7			√		😊	Awaiting pre planning scheme
Old Smithy	Filleigh	6			√		😊	Awaiting Planning application
Allocated site	Berrynarbour	5			√		😊	Awaiting Planning application
Adj Village Hall	Goodleigh	?			√		😊	PC led community scheme
Station Hill	Lynton				√		😊	TC wanting to deliver a scheme.

APPENDIX 5 – Approved Capital Programme

Scheme/site name	Rented	Owner ship	NDC grant required
Leigh Villas Chulmleigh	10	0	£80,000
Boyton Hse	5	0	£180,000
Rural/west down?	4	1	£100,000
Lower Poole F N Molton.	1		£52,080
LMD	10		£245,000
Bicclescombe Nursery	4	3	£227,000
Total	34	4	£884,080

APPENDIX 6 – RHP Partners (development)

Organisation	Contact name	Job title	E-mail	Phone number
Sanctuary Housing South West Limited Estuary House Peninsula Park Rydon Lane Exeter, EX2 7XE	Neil Clements	Senior Development Officer	neil.clements@sanctuary-housing.co.uk	Tel: (0800 083 9283) Ext. 257 Direct Line: 01392 813457 Mobile: 07810 853825
Devon And Cornwall Housing Association	Alan Partridge	Development Manager	Alan.Partridge@dcha.co.uk	Direct Line: 01392 814523 Mobile: 07977 141435
North Devon Homes	Graham Mansbridge	Development Manager	g_mansbridge@ndh-ltd.co.uk	01271 312500
Falcon Rural Housing Falcon House, 3a South street, Wellington Somerset TA21 8NR	Samantha Southam	Development Manager	Sam@falconhousing.co.uk	01823 667343
Magna Housing Association (now Charter Group)	Muhktar Ali	Business Development Manager	Muhktar.ali@magna.co.uk	01305 214070
Hastoe Marina House, 17 Marina Place, Hampton Wick, Kingston Upon Thames, KT1 4BH	Jo Flint	Development Manager	Jflint@hastoe.com	01305 216937
Affordable Homes UK	John Cottingham	Development Manager	John.cottingham@ahuk.org	01392 829753