

**HOMES POLICY DEVELOPMENT GROUP
22 MAY 2018**

**THE HOUSING OPTIONS SERVICE – COMMUNITY LED HOUSING FUND GRANT
POLICY**

Cabinet Member(s): Councillor Ray Stanley
Responsible Officer: Claire Fry, Group Manager for Housing

Reason for Report: In 2016/2017 Mid Devon District Council was allocated £131,359 from the Department of Communities and Local Government (DCLG) Community Housing Fund. The Council will use this ring-fenced funding to work in partnership with local communities to develop Community Led Housing across the District.

RECOMMENDATION: That the Cabinet recommends to Council that:

- 1) The Community Led Housing Fund Grant Policy is adopted and endorsed so that it can be used within the Council's District.**
- 2) That members support the framework for the allocation of grants as presented within the report.**
- 3) Should any disagreements occur then the final decision should be delegated to the Director of Operations in conjunction with the Cabinet Member.**

Relationship to Corporate Plan: MDDC Visions priority 1 & 2. The Council is committed to building more homes in the District and to facilitating the housing growth that Mid Devon needs, including affordable homes in rural parishes, by working with local communities to encourage them to support themselves and working with town and parish councils.

Community-led housing will increase the supply of housing across Mid Devon including affordable housing for rent and shared ownership. It will help to support economic growth and keep communities vibrant.

Community-led housing also has the potential to promote health, wellbeing and independence. Through this type of scheme there are also opportunities for communities to develop schemes to help local people (including older and vulnerable people) to retain their independence. It will also offer local people opportunities to gain knowledge and new skills relating to, for example, project management, housing development and consultations.

Financial Implications: The Community-Led Housing Fund grant of £131,359 is ring-fenced for delivery of Community Led Housing. The Government has advised that grant funding will be available for a further three years but the level of funding and how this will be allocated has yet to be confirmed. There is no assurance that the grant will come to local authorities in future years. The policy will therefore need to be reviewed before the end of the financial year (2019/20) to ensure that it is still relevant and appropriate.

The Community Led Housing Fund Allocation policy includes criteria and grant caps for each funding stage, which requires applicants to demonstrate Value for Money and to seek match funding from other sources to mitigate financial risks. Communities are also subject to providing a service level agreement (SLA) with the local authority.

Legal Implications: Grant recipients may be required to repay the grant should their use of the award fail to comply with the conditions set out by the Council.

Risk Assessment: Failure to have an efficient and effective process in place for administering the fund could result in adverse publicity for the Council.

Equality Impact Assessment: Community-led housing will help to support the needs of vulnerable people, including older people, and reduce inequality by helping to provide the right type of housing solutions to meet the needs of local communities.

1.0 Introduction

- 1.1 In 2016, the Government announced a new annual £60 million fund to help almost 150 councils to tackle the problem of high levels of second homeownership in their communities. The monies were available to support the development of community-led housing.

South Hams	Devon	£1,881,307
West Dorset	Dorset	£1,365,432
East Devon	Devon	£1,210,418
Purbeck	Dorset	£910,456
North Devon	Devon	£667,869
Teignbridge	Devon	£581,303
West Somerset	Somerset	£574,760
Sedgemoor	Somerset	£485,174
Torridge	Devon	£448,434
Weymouth & Portland	Dorset	£430,315
Christchurch	Dorset	£417,229
South Somerset	Somerset	£263,222
West Devon	Devon	£247,620
North Dorset	Dorset	£238,057
East Dorset	Dorset	£158,034
Mid Devon	Devon	£131,359

- 1.2 The Community-Led Housing Fund offers local groups opportunities to lead on, and help them to deliver, affordable housing aimed at first-time buyers in response to the problem second homes can cause in reducing supply.
- 1.3 The funding will be targeted at the community-led housing sector and distributed to groups via local Councils. The rationale for this is that local authorities have the relevant knowledge to enable them to deliver the sort of housing needed in communities in their areas.
- 1.4 Allocating the funding to these housing organisations will place local communities in a position to identify what type of housing is most needed in each area. It will also offer an income stream to community organisations, in turn allowing them to reinvest in more housing or in other activities or services which will benefit their areas.
- 1.5 Local authorities will work closely with community-led housing groups and other stakeholders which is likely to include the Community Land Trusts network or the Home and Communities Agency, to ensure that the necessary infrastructure and support is available to ensure efficient delivery of new houses in subsequent years.
- 1.6 Community-led housing has many benefits. Planning applications from this sector are currently approved more often than other applications. Local concerns about building new homes can be allayed more easily because of local involvement from the start.
- 1.7 The groups can also be an important link between the community and local authorities, as they can increase credibility among residents and directly represent the needs of the community.
- 1.8 In 2016/2017 Mid Devon District Council was allocated half of the allocated funding of £131,359 from the DCLG Community Housing Fund. To receive the second tranche

of funding the Council had to explain how it would use the funds, to receive the remaining monies. The Council submitted its explanation and the remaining funds were awarded.

- 1.9 The Council will use this ring-fenced funding to work in partnership with local communities to develop Community Led Housing across the District. Further grant funding may be allocated over the next four years.
- 1.10 Implications on existing staffing capacity to secure, deliver and oversee the funds that are allocated to the Council will be monitored and, if insufficient, this will be reported as part of an overall monitoring report.
- 1.11 The Policy governance will be overseen by the Community Housing Fund Project Group chaired by the Cabinet Member for Housing. The group will comprise of Cabinet Member for Housing and three other Cabinet Members. The group will receive recommendations from Group Manager for Housing, Housing Options Manager and the S151 Officer or designated representative from finance. The Group will meet on a monthly basis to discuss the progress of community groups and consider applications for funding.

2.0 **Scope**

- 2.1 The purpose of this report is to seek approval for the Council's Community-led Housing Fund Grant Policy which will set out the criteria for the allocation of this funding to communities and organisations involved in the delivery of Community Led Housing schemes across Mid Devon over the next four years.
- 2.2 The Council is using £3250 (per year, over 4 years) of the funding to continue the joint working with Wessex Community Housing. The Council already has a proven track record with Wessex Community Housing arising from the successful Community Land Trust project in Hemyock. This will enable Wessex Community Housing to provide additional community development support, to work with the Council and communities to deliver more developments with Community Land Trusts.
- 2.3 The Wessex Community Housing Project is also tasked to generate interest and lead a dialogue with other community groups across Mid Devon around Community-led Housing as an additional step towards delivering additional housing on housing development sites and rural exception sites across the District.
- 2.4 The remaining grant allocation will be used to offer support to communities seeking to progress a Community-Led Housing scheme. The fund will be used to support local communities to set up a community organisation, undertake initial feasibility work and to cover project management costs.
- 2.5 The Community-Led Housing Fund Allocation policy sets out who is eligible to apply for this funding, what will be funded and how applications will be assessed and funding awarded.
- 2.6 The Community-Led Housing Fund will be available to communities to allow them to succeed in building new homes in the community. The criteria which grant applications will be assessed will be stringent. It will require applicants to:
 - Demonstrate how the project meets the Council strategic objectives
 - Evidence that other avenues have been explored
 - Provide a business case for the CLT
 - Report to the Council on the progress of the development/project

- 2.7 The impact of the programme will be monitored and evaluated by officers in the Housing Options Team and a report will be presented to the Homes PDG as and when required.
- 2.8 Appendix A sets out the Guidance and Criteria to help communities apply for the grants together with the application forms.

Contact for more Information: Mike Parker, Housing Options Manager
Telephone: 01884 234906 mparker@middevon.gov.uk

Circulation of the Report: Councillor Ray Stanley, Cabinet Member for Housing