

**Mid Devon District Council
Draft Housing Strategy
2015-2020**



September 2015

Mid Devon District Council: Housing Strategy 2014-2019

Executive summary

Contents

1. Foreword
2. Housing Priorities

Appendix 1: Strategic Context

Appendix 2: Local Context

Appendix 3: Planning Policies in Mid Devon

Appendix 4: Action Plan

Appendix 5: Registered Providers working in Mid Devon

1 Foreword

I am pleased to introduce this Housing Strategy for 2015-2020 for Mid Devon District Council because it is set in a challenging climate of austerity, welfare reforms and difficult housing conditions. I feel that it is important to set out the significant housing issues which we need to respond to and our plans for dealing with them.

As a stock-holding Council, the Authority has two roles in the District. It is a registered provider and it is also the strategic housing authority. This new Housing Strategy provides a framework and an evidence base for all the housing related activities of the Council and other partners.

We are lucky enough to live in an area which is very beautiful and where crime rates are low. I know that people want to live here and I am keen to ensure that all the housing available, across a range of tenures, is fit for purpose and offers opportunities for people to put down roots in areas where they want to live. We are committed to providing homes for our community and this strategy document reflects that.

I am passionate about improving the housing stock in the District and ensuring that we deliver value for money in the achievement of our objectives. This Housing Strategy offers finite opportunities to move forward to address the priorities we have identified.

Councillor Ray Stanley, Cabinet Member for Housing



2. Our Housing Priorities

Priority One: Delivering affordable housing

The Local Plan Review will set an annual housing target for Mid Devon based on evidence arising from the SHMA. Once this has been adopted, the Council will work proactively to ensure strategic sites are master-planned, whilst maximising the delivery of brownfield and infill development. It is important for the Council to exploit opportunities to meet the overall demand for housing in the District and to make use of planning policies to deliver new affordable homes.

Meeting Affordable Housing Need in Mid Devon

As stated, the SHMA established a need for 124 new affordable homes annually in the District.

In general, the planning authority prefers to see the provision of affordable housing “pepper potted” within sites, in order to promote mixed and sustainable communities. However, there may be cases where on site provision is not appropriate, for example, where the provision of a single affordable dwelling on a site may be inefficient to manage, and a RP may be reluctant to take over such small scale provision. In accordance with national advice, it is still appropriate for such sites to contribute to meeting affordable housing need and in these situations a contribution to off-site provision should be made. The level of contribution will be subject to viability appraisal based on the value of the site.

The appropriate mix of affordable housing in terms of tenure, size and spread within a proposed development will be determined in response to identified needs and priorities as indicated on the DHC Housing register at the time an application is submitted, together with either evidence provided by the local Housing Needs Survey for that Parish or from the SHMA.

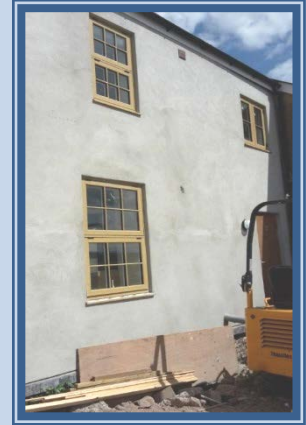
Funding Affordable Housing

Developer contributions through Section 106 agreements on development sites has been the method which has provided the highest number of affordable units throughout the lifetime of the previous strategies.

Where possible, the Council will look to maximise investment from external bodies to enable the development of affordable housing. The National Affordable Housing Programme (NAHP) made £2.2 billion available to RPs for the period 2011-2015. NAHP funding is only available for the new “affordable” rent product so other streams of funding must be exploited to develop homes at less than 80% of market rent. Nor is the NAHP available to fund Section 106 sites which as previously mentioned has been the main source of affordable housing in the past few years.

During 2014/15, the Council and other RPs were able to complete 57 units some of which were part funded by the HCA. In addition, the Council purchased an additional unit which had previously been sold under the Right to Buy scheme.

The Council is registered with the HCA and has made successful bids for funding from the NAHP 2015-2018.



Sums have been received in respect of schemes at Fir Close, Willand, where 6 new homes were built by the Council, and at St Andrew Street, Tiverton, where a further 14 new homes developed by the Council are almost complete. Further funding is being sought through the programme for another 4 units in Tiverton and it is proposed to bid for monies to support the building of at least another 26 units in Tiverton and rural areas in the future.

The Council will also seek to contribute its own resources where viability issues may be preventing development from occurring wherever possible and where value for money can be demonstrated. This will be in the form of Right to Buy receipts, commuted sums from previous developments and our own land assets.

Continuing to work with private sector landlords to bring empty homes back into use and also partner agencies, if appropriate

The Council is keen to bring empty homes back into use to provide accommodation for those in housing need. The New Homes Bonus is payable in such circumstances and any monies received can be ploughed back into the community to add to and to enhance local infrastructure. We work in partnership with Wessex Home Improvement Loans for help to bring homes in the private sector up to a Decent Standard for letting.

The Council routinely monitors the number of empty properties in the District. We concentrate our efforts on properties that have been empty for longer than 6 months without a specific Council Tax exemption. Exemptions include uninhabitable due to major disrepair, where there is an issue relating to a probate case, or where the owner is in residential care.

It is our aim to return properties to use with the cooperation of owners but enforcement action will be utilised if all other avenues have been exhausted. Work is currently ongoing to develop a partnership with Exeter City Council to support this work. The Private Sector Housing Renewal Policy 2015 to 17 contains an action plan relating to empty homes.

Developing more Council housing

Reform of the housing revenue account led to councils taking on a share of the national housing debt, and gave some flexibility in terms of the management of this debt. This Council decided to use the additional borrowing capacity available under the new regime to build more homes in order to increase supply of available housing and in order to stimulate local economic growth. The Council used the new flexibilities and returned a payment of £47million to central government in exchange

for an additional approximately £1million each year which has been used to finance the management and maintenance of our properties and the building of new homes.

Following the development of 22 new homes at Crediton, a further £2million was set aside for future development. The new homes were let using the affordable rent model. The new schemes at Willand and St Andrew Street provide a further 20 new homes with others, with some funding derived from the HCA Affordable Homes Programme 2015-2018, in the pipeline. In addition, an options appraisal of redundant garage sites and surplus land in Council ownership is ongoing with a view to redeveloping these to provide more affordable homes.

Provision of pitches for gypsies and travellers

Plymouth and Devon Racial Equality Council define gypsies and travellers as people who either have a nomadic or semi nomadic heritage or a nomadic or semi nomadic lifestyle. In August 2015, the Government stated that for planning purposes, the following definition should apply: "Persons of nomadic habit of life whatever their race or origin, including such persons who on grounds only of their own or their family's or dependants' educational or health needs or old age have ceased to travel temporarily, but excluding members of an organised group of travelling show people or circus people travelling together as such".

Settled travellers may live in houses. Alternatively, they may live on local authority sites, private sites, unauthorised sites (tolerated) or unauthorised sites (temporary). Members of these groups may be affected by poor health and racism, and experience problems in terms of education and accommodation.

In accordance with the provisions of the Housing Act 2004, every local authority must carry out an assessment of the accommodation needs of gypsies and travellers residing in or resorting to their District. Local planning authorities are also expected to identify a five year supply of deliverable sites with a further ten year supply of developable sites or broad locations for growth on top of this.

The Public Sector Equality Duty 2011 means that the Council must work to eliminate unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act. It must also advance equality of opportunity between people who share a protected characteristic and those who do not; and foster good relations between people who share a protected characteristic and those who do not. The Government has a stated aim of ensuring fair and equal treatment for gypsies and travellers in a way that facilitates the traditional and nomadic way of life of travellers while respecting the interests of the settled community.

51 pitches for gypsies and travellers have been constructed since 2006. A pitch is usually defined as space for a static caravan, a touring caravan, a small amenity building (often known as a day room) and two parking spaces.

The Devon Partnership Gypsy and Traveller Accommodation Assessment (GTAA) identifies the need for gypsy and traveller pitches. This need is to be met either

through the allocation of specific sites or through the inclusion of a number of travellers' pitches within larger housing sites.

In Mid Devon, the GTAA 2015 stated that as of 2014, there was the following provision for these groups in Mid Devon:

Housed G&Ts	106
Authorised Pitches	53
Unauthorised encampment	0
Unauthorised development	0
Temporary pitches	2
Vacant pitches	0
Potential pitches	20
Trans pitches	7

Source: Devon Partnership GTAA 2015

The table shows the potential for 20 pitches on sites which have consent but which have not yet been built out. The GTAA also states that a further 35 pitches are needed by 2034. In addition, there is a need for a further 11 pitches for travelling show-people by 2034.

There is a need for a further 4/5 gypsy and traveller transit/ emergency stopping places in the period from 2014 to 2019 across Devon although no further need has been identified in respect of the period from 2019 to 2034.

The need will predominantly be met through the allocation of sites for gypsies and travellers on the urban extensions as set out in the Local Plan Review.

Priority Two: Making better use of existing housing stock

Providing Decent Homes for the vulnerable

Overall housing supply is affected by property condition and investment in maintenance. Residential accommodation must meet minimum quality standards if it is to be fit for purpose.

The Government has made it clear that the responsibility to maintain private property lies with the owner. However, the Council recognises the importance of the private sector stock as an asset within the District. We have statutory duties in relation to unfit properties and will take enforcement action, where necessary.

In order to understand the state of housing in Mid Devon, we are planning to survey the stock. Our Private Sector Housing Renewal Policy contains a commitment to carry out some form of House Condition survey and to undertake other investigations. An understanding of the condition of the housing stock in the District will enable us to target assistance where it is needed, subject to funding being available. The Private Sector Housing team will continue to seek opportunities to assist home-owners by identifying funding arrangements and working to implement them, where possible.

In accordance with the HHSRS, there are 29 hazards which can be assessed. These include damp and mould growth, the risk of falling on level surfaces and the risk of falling on stairs. Hazards are accounted for in different categories with 1 being the most serious and 4 being the least serious. When a hazard presents a severe threat to health and safety, it is known as a category 1 hazard. Examples include a leaking roof, a broken rail on a steep stairway or a lack of adequate heating. If category 1 hazards exist, it is especially important to promote the availability of loans and any grants; the Council needs to ensure that vulnerable households in the private sector are able to live in homes which meet the Decent Homes standard.

Provision of affordable housing

We are committed to making best use of the housing stock and to supporting residents to remain in their existing homes, in order to enable them to remain independent, as far as possible. In the private sector, we will use housing renewal powers to support the main aim of providing affordable housing. The use of loan and grant conditions will help retain units in support of these aims. The Cabinet Member for Housing has, during September 2015, stated a commitment to a target of 300 additional homes in Mid Devon over the next four years.

Using Disabled Facilities Grants to help those who need adaptations to remain in their own homes, if appropriate

We will make best use of existing disabled adaptations in partnership with other agencies as appropriate, including Devon County Council Social Care, other Devon Districts and any future Home Improvement Agency.

Housing those in housing need

The DHC scheme is used to allocate homes in Mid Devon. The scheme ensures that there is a consistent approach to the allocation of all social housing across Devon. It was developed by all the local authorities and social landlords with stock in the County and an equality impact assessment was undertaken to measure the impact of the scheme upon different sections of society. Feedback is available to people who bid for properties; this makes the scheme transparent and gives applicants an understanding of the amount of time they might have to wait before being housed.

The Council has its own local allocations policy which allows for certain properties to be labelled. In this way, those needing adaptations will be given preference when adapted homes are allocated, and those with a local connection will be given preference during the allocation process relating to rural homes in villages.

The Council is committed to the use of flexible tenancies as a means of making better use of the housing stock. The Localism Act 2011 requires local authorities to develop a tenancy strategy which should include a description of the high level objectives ("matters") that RPs should "have regard to" in their tenancy policies. These policies will relate to:

- ❖ the kind of tenancies they grant
- ❖ the circumstances in which they will grant a tenancy of a particular kind
- ❖ where they grant tenancies for a fixed term, the length of the term
- ❖ the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy

In the past, most tenants offered a home by a council or housing association were given lifetime tenancies. However, the Localism Act introduced tenure reform and as a result RPs can now let homes on fixed term or flexible tenancies. These are tenancies which are let for a limited period of time; with a minimum five year term in most cases. As a landlord, the Council now uses flexible tenancies. This was to address issues relating to a shortage of available accommodation especially larger homes. The tenancy policy sets out the circumstances in which these tenancies will be re-issued and the main reasons relate to changes in the composition of the household and/or household circumstances.

The Council also expects housing associations working within the District to make the most of the new flexibilities for the same reasons. A new protocol is about to be implemented. This has been agreed by all the local authorities in Devon and is to be used to ensure that all those tenants whose fixed term or flexible tenancies are not to be renewed receive appropriate advice relating to their housing options.

Managing Council housing efficiently and effectively

The HCA is responsible for the regulation of council housing. The regulatory framework consists of a number of Standards which have been divided into two sets: the Consumer Standards and the Economic Standards, and the Council is obliged to deliver the specific outcomes set out in the Consumer Standards.

Councillors are responsible for ensuring that the standards are met, in accordance with the framework. However, the regulator does not have a proactive role in monitoring compliance and will only intervene in cases of serious detriment.

Housing providers such as the Council and the Councillors responsible for the Housing Service are expected to ensure that all activities are transparent so that tenants, service users and other stakeholders can scrutinise and ensure that the outcomes required by the relevant standards are being delivered.

The regulatory framework clearly states that tenants should have opportunities to shape service delivery and to hold Councillors to account. To achieve this, providers are expected to engage meaningfully with their tenants and to offer them opportunities to shape the tailoring of services to shape local priorities. In particular, the Council, as a landlord, is expected to give tenants an opportunity to scrutinise performance, identify areas for improvement and influence future delivery. Consequently, the Housing Service is expected to provide training opportunities for tenants to help them to develop their skills and capacity so that any engagement and scrutiny is effective. The Council also has to demonstrate that it understands the particular needs of its tenants.

The Housing Service offers a wide range of opportunities to enable tenants to get involved and to scrutinise all aspects of the work. In particular, our Tenant's

Together group (formerly known as the Scrutiny Improvement Group, or SIG) regularly reviews performance documents, comments on new policies and strategies, and is encouraged to undertake service reviews.

The Cabinet Member for Housing has been involved in setting targets relating to all aspects of service delivery and performance against these targets is regularly monitored by senior officers, Councillors and tenants. Performance information is also published on the Housing Service pages on the corporate website. The targets relating to income collection are seen as the most important ones as maintaining the revenue stream is vital; the Housing Revenue Account is ring-fenced and the Housing Service is financed mainly out of rent collected from tenants. However, performance relating to voids is also given high priority. In order to increase income, the Housing Service has a robust policy relating to rechargeable repairs and reinvests any monies received from tenants.

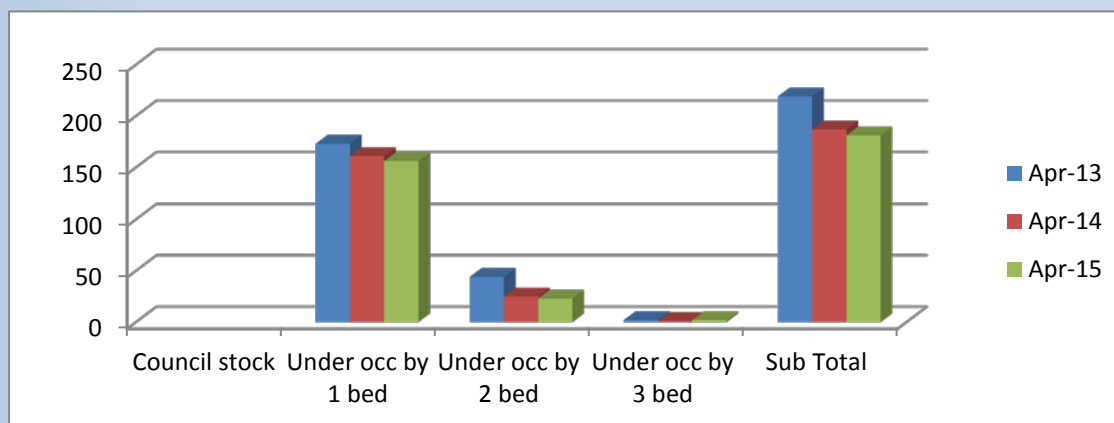
The Council successfully secured an additional £1.4million to invest in the housing stock. This grant funding was used to ensure that all homes were sound and compliant with the Decent Homes standard. There has been a concerted effort in recent years to ensure that the bulk of the repairs budget was allocated to planned, rather than responsive, maintenance. £2.1million was spent in 2013/14 improving homes by updating kitchens and bathrooms, and on heating upgrades. Going forward, expenditure on these items is likely to be in the region of £1.1million per annum. In addition, a total of £750,000 is spent each year on routine repairs and maintenance. There is a dedicated budget of £250,000 for aids and adaptations needed in Council accommodation.

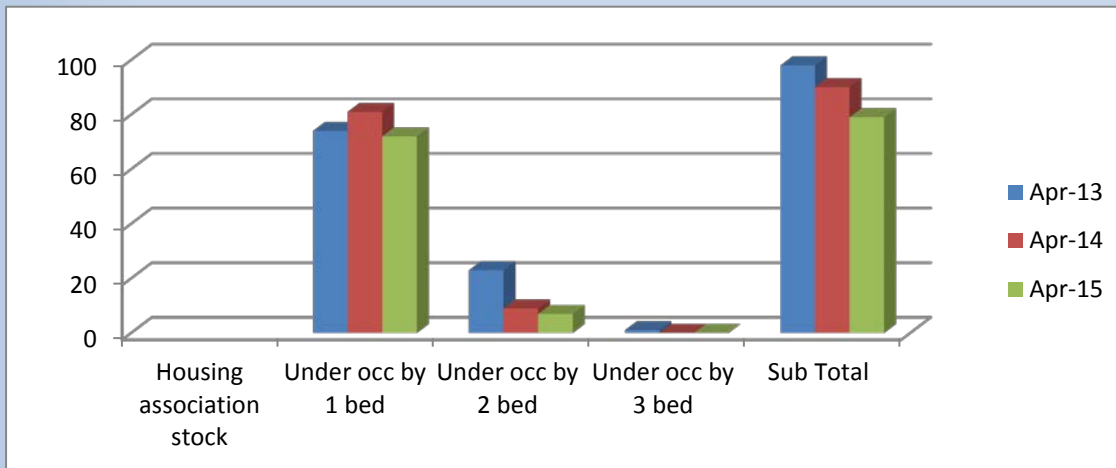
In order to combat tenancy fraud, the Housing Service now operates a programme of Tenant Home Checks which involves visiting each property once every five years. The visits offer an opportunity to monitor who is living in the property but also enable officers to ensure that the service is meeting the needs of the tenants, to identify any tenant damage and to offer advice about issues such as welfare reform.

The Council also works in partnership with other Devon authorities to combat tenancy fraud. A grant from the Department of Communities and Local Government was obtained to establish a specialist team to work across the county for the period of two years until the end of 2015.

Continuing to promote downsizing initiatives

The Spare Bedroom Deduction has affected a number of people in the District.





Source: Benefit team, Mid Devon

Housing Benefit claimants by Local Authority: by Spare Room Reduction: February 2015					
	All HB claimants	Spare Room Subsidy Reduction			
		Not applicable (private housing)	Not applied	Applied	
				Number	Average HB reduction amount
Mid Devon	4,493	1,828	2,406	264	£14.12

Source: <https://www.gov.uk/government/statistics/number-of-housing-benefit-claimants-and-average-weekly-spare-room-subsidy-amount-withdrawal>

The Homelessness Strategy states that ensuring the efficient and effective use of existing stock in the District by assisting households to downsize where appropriate is a priority. The Council's approach was discussed earlier in the narrative. However, existing tenants wishing to downsize are also awarded high priority within the DHC scheme because they go into the B Band. In recent years, the Council has operated an incentive scheme aimed at giving our tenants some assistance with removal and other costs associated with transferring to alternative accommodation but this is due to be reviewed in December 2015 and it is likely that the scheme will cease. Recent welfare reforms have meant that a significant number of tenants have already moved to smaller accommodation.

Priority Three: Preventing homelessness

The new homelessness strategy 2013-2018 adopted in 2014 sets out the Council's key strategic aims in tackling homelessness in the District, details how these aims are to be achieved, and sets out actions for delivery.

Homeless acceptances in Mid Devon have been decreasing for some years and between 2004/05 and 2011/12 there was a 90% reduction. This was despite the fact

that the total number of approaches made to the Council saw a fivefold increase over the period from 2009/10 from a low of 47 to 273 in 2012/13. The reduction in the numbers of acceptances is directly attributable to the early intervention and preventative measures taken by the Housing Options team and partners. Over the last 5 years, there has been an average of 19 homeless acceptances each year and homelessness preventions increased from 150 in 2011/12 to 330 in 2014/15.

The Council uses a range of tools to assist applicants to prevent or resolve their homelessness at the earliest opportunity. A Housing Options approach to the management of homelessness is seen as key and, for this reason, homeless applicants are encouraged to register on DHC and are also given advice about securing accommodation in the private sector. The Deposit and Rent in Advance Scheme (DARS) is available to help applicants to access private rented accommodation.

Recently, a Young Person's Support Worker has been recruited to work with young people and their families to prevent homelessness. This Officer is also expected to co-ordinate support for young people who may be at risk, for whatever reason; in a safeguarding role taking into account their individual needs. In addition, she has been tasked with building up good working relationships with local landlords, including RPs of social housing, and local lettings agents in order to find accommodation for young people in housing need.

The Council also works in partnership with a number of agencies to assist those in housing need. In particular, Sanctuary Supported Living works across Mid Devon to provide support to those in private and social sector tenancies and owner occupiers where they are at risk of losing their home. A number of grants are made to support the work of local partners such as the CAB and CHAT (Churches Housing Action Trust) and a contribution is made towards the cost of the post of the Devon Housing Options Partnership Co-ordinator, who supports the work of district councils in the county.

The Council works with ADVA (Against Domestic Violence and Abuse Partnership) which provides services to those who have experienced domestic abuse; BCHA Street Homeless Outreach Team (SHOT) to help secure accommodation and support for single people and to support the Council's response to the Government's No Second Night Out initiative for those sleeping rough (BCHA is an organisation committed to the creation of lasting solutions for homelessness, unemployment and social exclusion in local communities); and Wiser£Money, part of Wessex Resolutions, which operates the Local Welfare Assistance Fund which will provide rent and deposit assistance as well as money management advice. Furthermore, the Council will work with Young Devon and Social Services to refer young people to supported lodgings; and the Homeless Prevention Panel multi agency forum to consider housing options for 16-21 year olds. The Council also operates a mortgage rescue scheme and has a dedicated Housing Benefit Officer to fast track temporary accommodation and rent/deposit applications.

Welfare and social housing reforms are having an impact on vulnerable people in Devon and the Council is aware of the need to respond to the reforms in a proactive way to ensure that the benefit cuts do not lead to unnecessary homelessness.

The Localism Act allows local authorities to fully discharge their duty to secure accommodation by arranging a suitable offer of accommodation in the private sector without requiring the applicant's agreement as was previously the case. A key action for the future will be to develop a comprehensive policy outlining in what circumstances the main homelessness duty will be discharged into the private sector. The policy will include an assessment of suitability, property condition, cost/affordability and family type.

The homelessness strategy contains three specific priorities:

1. Preventing homelessness and sustaining tenancies
2. Increasing the availability of affordable housing
3. Mitigating the effects of the welfare reforms and the Localism Act

In particular, the Council will continue to work with partners to prevent homelessness by intervening early, further developing tenancy sustainment services and providing high quality advice and support. A number of key actions were identified to achieve this objective and these include ensuring that our homelessness advice service and prevention information is up to date and well publicised and working with partner agencies to identify gaps in provision and funding and seek solutions.

The development of comprehensive management systems to measure the impact of homelessness prevention advice will also be important. Developing a framework to provide support to people who may need help with sustaining a new tenancy will be achieved through working proactively with RPs including the Council's own Housing Service to reduce evictions from social tenancies particularly in light of the new flexible and fixed term tenancy regime.

All of the actions relating to increasing the availability of affordable housing which have been discussed in this housing strategy will support the homelessness strategy.

Likewise, the actions set out later in the housing strategy to mitigate the impact of welfare reform should help to minimise levels of homelessness.

Priority Four: Managing the impact of an aging population

Devon County Council has made some predictions relating to the numbers of elderly people in the County over the period from 2013 to 2033. By 2020, the 65+ population across the whole of Devon is predicted to increase by 42,400 to 215,200, and then to 264,400 by 2030, representing a 53% increase over the period from 2011 to 2030. It is predicted that the most significant increases in population will be in the 80-84 and 85+ age bands up to 2030, with percentage increases of 80% and 98% respectively.

The SHMA noted that, on the basis of these projections, the population over 65 in Mid Devon would increase by 54.3% or 9,366 over the period. It found that by 2030, there would be 6,527 people of people aged 65+ living alone, an increase of over 64% on the position in 2014. The population aged 75 or over in the District is also likely to increase by nearly 82% from 7,748 in 2013 to 14,089 in 2033.

At the end of December 2013, DCC informed the Council that it was reviewing its Adult Social Care Accommodation Strategy for older people in Devon to examine the range of accommodation options that will be needed in the County in the future. It was noted that the service need is changing, with an increase in the number of older people with dementia or mental health needs and a decline in residential placements for older frail people due to improved Community based services. The County Council's Cabinet approved investment in DCC Residential homes to provide specialist centres of dementia services and there is also approval to seek providers and partners to deliver over 900 Extra Care Housing units across the county.

The County Council, as part of the work to estimate the number of Extra Care Housing units needed, has also identified those towns in which Extra Care housing is likely to be most viable and where there is an unmet need. The DCC Commissioning Strategy for Extra Care housing which, based on 2008 population estimates, shows the population at risk within the Mid Devon area. It identified a need for 50 Extra Care Housing units in both Cullompton and Tiverton. DCC closed a significant number of their care homes from March 2015.

The District Council identified a need for an Older Person's strategy to reflect how services will plan for the future to meet the increase in demand given the rising numbers of people in Mid Devon over 65 and this is awaiting approval. A number of additional recommendations were made which included:

- Promoting a community hub in Newton St Cyres and setting up a community hub in Tiverton
- Setting up a garden share scheme
- Reviewing the voluntary groups in the District and linking in with the DCC register
- Setting up a register of trusted tradesmen or actively promoting that already provided by Age UK
- Raising awareness in the parishes on identifying the signs of vulnerability in adults

It was also recognised that very elderly people will require specially adapted bathrooms and have a need for lifts. It is acknowledged that some of the provision for older people may be delivered by Extra Care units.

Helping elderly people to remain in their own homes

The traditional sheltered housing service has disappeared following the move from property-related support to targeted support services that are based on individual's support needs.

DCC commissions these services and requires providers to deliver services to individuals with the greatest level of need. Providers have been issued with new Targeted Support contracts of lower value than the previous contracts. From 2015/16 these services moved into DCC's Framework Agreement, and existing providers were required to tender to deliver their current services. As funding has been reduced services have been significantly reduced and limited to those who have met DCC's Fairer Access to Care (FACs) assessment criteria.

Alarms:

In 2012, the Council completed the installation of telecare alarms in our sheltered housing properties. Lifeline alarms were installed in properties where the tenants required support services. All of the alarms are able to take additional telecare sensors.



The Future:

As stated, the SHMA identified a significant increase in the number of elderly people living in Mid Devon over the next two decades.

A Strategic Review of Older Persons Housing and Support Services commissioned from CIVIS, a consultancy, by DCC in 2008 identified that the majority of persons requiring support services lived in their own homes. The report concluded that providers should provide services to the wider community and not restrict them to their own sheltered housing schemes.

In 2013, the Council significantly reduced its Supported Housing Services staffing resources due to the impact of funding cuts. It is recognised that there is a demand for these services in the community and the Council will consider offering these to private customers.

The Council has 872 private Lifeline alarm customers that may require additional support services, and some of these are outside District. 278 Council tenants also pay for the service. The Council will explore introducing a range of new services to the private sector which could include marketing the services of our own directly

employed skilled tradesmen to install disabled adaptations, a handyman service, building repairs and the coordination of shopping, gardening and cleaning services.

The Housing Service now has two Community Housing Support Officers working alongside the Neighbourhood teams. These Officers provide a tenancy sustainment service to more vulnerable tenants. The Officers will work with a tenant for a specific period of time whilst they are experiencing a particular issue or difficulty. The role of the Officer is to enable the tenant to continue living independently and to signpost or to refer to other agencies, as appropriate. The Officers have a good understanding of the communities in which they work and of the different voluntary groups based in them which may be able to provide support and assistance to our tenants.

To develop the handyman service so that elderly residents in Mid Devon have access to reliable tradesmen

The Housing Service provides a Handyman Service, which is available to all tenants and leaseholders. This includes gardening, plumbing, carpentry, masonry, electrical works and cooker connections. It does not include decorating or cutting hedges which exceed four feet. Customers pay in full before work commences but there is discretion to agree alternative payment arrangements. In addition, there is a subsidised service for new tenants who are over 65 and/or in receipt of DLA, which provides two hours free labour for minor DIY jobs such as hanging pictures, fitting blinds and erecting shelves. To qualify, they must register interest within 2 weeks of moving into their new home.

MDDC Lifeline customers, whether in council or private properties, can seek a quote and arrange to have plumbing, electrical and carpentry work completed. We also fit key safes for a reasonable charge.

Priority Five: Reducing the impact of welfare reform

In September 2013, the Devon Strategic Partnership (DSP) Welfare Advisory Group identified that welfare reform would take £343 million out of the Devon economy each year. The Group calculated that this loss would affect over 160,000 working age households, 60% of whom are in employment, with an average loss of £2000. At that stage, it was calculated that the average loss in Mid Devon per working age household due to welfare reform would be £688. Since July 2015, following the summer budget, it has become clear that welfare budgets will continue to reduce and that there will be further cuts which will impact upon people on low incomes.

The Council's corporate Debt Collection Policy has been reviewed in order to ensure that there is a joined up approach to the collection of debt. The Council needs to maximise income to ensure that it can continue to provide responsive services to local people. The aim of the policy is to provide flexibility to enable Officers to respond in a sensitive way to individual circumstances and, in particular, those cases

where people, for whatever reason, are experiencing financial difficulties and are finding it difficult to pay debts owed to the Council.

The Council works in partnership with Sanctuary Supported Living which delivers a floating support service to those at risk of losing their home. This usually involves intensive case working to help people to sustain their tenancies. Officers in the Housing Options team are able to make referrals, as are Officers from within the Neighbourhood teams, when they identify one of our own tenants who may be experiencing financial or other difficulties.

Wiser£Money is contracted to deliver Local Welfare Assistance in Mid Devon and as part of their role, they will also provide help, advice and assistance to local people who are experiencing difficulty with money. Currently, they spend the majority of their time providing money advice. The organisation is registered with the FCA and their advisors will help clients to maximise their income, liaise with creditors and provide advice on budgeting. The Housing Service refers cases to money advisors as a matter of routine and 47% of enquiries/referrals involve Council tenants.

Requests for Local Welfare Assistance and money advice have increased by 19% between 2014 and 2015.

- The Housing Service is the biggest single referrer into the LWA/money advice scheme
- 80% of referrals from the Housing Service are for money advice
- The complexity of cases has increased significantly from 2014 to 2015; in 2014, £28,000 of debt was dealt with on behalf of clients and, by July 2015, this figure increased to £108,000 – this is a 274% increase
- 40% of money advice clients are under the age of 34
- 45% of the clients have a budget with under £50 disposable income available per month
- 21% of clients have a budget that show they have more expenditure than income
- During the first 6 months of 2015 (Jan – June) they achieved a total financial gain of £75,000 (this include Debt Relief Orders, debt managed, debt written off, increased income, benefit gains etc.)

The Troubled Families programme was introduced by the Department for Communities and Local Government to “turn around” the lives of 120,000 families estimated as facing multiple problems in three years. In Devon, this programme is known as the Targeted Family Support Scheme (TFS). The programme aims to:

- Get children back in the classroom
- Get parents back into work
- Reduce crime and anti-social behavior
- Reduce public costs associated with these families

Since the TFS was implemented, many families across the district have been engaged and are receiving support. The scheme has offered a great opportunity for partnership working in the District and has therefore delivered on many levels. Officers from the Housing Service have worked as lead professionals in a number of cases and contributed to positive outcomes in many others.

Providing grant funding to agencies which can provide advice and support to those in housing need

The Council has a strategic grants programme and currently provides funding to a number of agencies which provide advice and support to local people; these include Age UK Tiverton, Cullompton and Crediton, Churches Housing Action Team (CHAT), the Citizen's Advice Bureau and Community Housing Aid Nightstop Service. This programme is reviewed annually and, in the prevailing economic climate, it is likely that the grants will be reduced going forward. However, those agencies currently being provided with grants whose work aligns with Council key priorities are likely to continue to receive some funding in the future.

Continuing to promote energy saving initiatives

The commitment of the Council to supporting initiatives to reduce fuel poverty is stated in the Private Sector Renewal Policy. The Home Energy Conservation Act (HECA) 1995 requires local authorities to make reports from time to time on energy efficiency saving. The latest report, dated 2015, is available to view on the Council's website. This sets out the energy conservation measures that the Council considers practicable, cost effective and likely to result in significant improvement in the energy efficiency of residential accommodation in the District.

The definition of fuel poverty is now measured by the Low Income High Costs definition. A household will be in fuel poverty if:

- They have required fuel costs that are above the national median level
- They would be left with a residual income below the official poverty line if they were to spend the amount required

As at August 2015, it was estimated that over 4,000 households were in fuel poverty in Mid Devon.

Our strategy for addressing this issue, and for improving the housing stock in the private sector, contains three main strands:

- We will provide energy efficiency advice and assistance either directly or through partners. We are members of the Cosy Devon Energy Company Obligation scheme, a partnership involving DCC, Torbay and all the other Districts in Devon and we will continue to support this initiative.
- Green Deal funding, introduced by the Energy Act, provided capital investment in home energy efficiency measures funded by loans repayable

through the estimated savings in the household energy bills. This initiative has come to an end and it is uncertain what new funding streams will be made available, or even if this will be a priority going forward. The Council currently works with Wessex to provide loans to home owners and this could provide assistance to owners of homes which have low levels of insulation and which do not have adequate heating. In particular, it could be used to assist those owners of homes which are defined as hard to treat and/or those located in areas where there is no gas supply to improve energy efficiency.

- We will also submit bids for other capital funding as and when any new funding streams are announced by the Department of Energy and Climate Change (DECC)

This strategy is informed by a need to maintain the diversity and condition of the stock in the private sector in order to support the health and wellbeing of the local community.

Continuing to research “green” initiatives which can be installed in Council homes and which can help to reduce fuel poverty

The Housing Service is committed to investing in our homes to make them more energy efficient and to securing available funding to enable this work to continue. The work undertaken by the Housing Service feeds into the work undertaken to support the Devon Affordable Warmth Strategy. Nearly 1,000 Council properties in the District are not connected to gas and so it is important to explore alternative technologies in order to deliver more efficient, and less expensive, forms of heating.

Progress to date: reducing fuel poverty for Council tenants

The Council has installed solar Photo Voltaic panels (PV) in 1,175 (38%) units within our housing stock. This has reduced the fuel costs of tenants by at least 10%. This project was undertaken in partnership with Anesco Ltd. Energy prices have gone up more than 20% since then but the potential energy savings to Council tenants is still significant. The Council receives a rental income for allowing the panels to be installed on the roofs of its housing stock and the tenant has access to any electricity that is generated by the system.



In addition, an ongoing programme to upgrade heating systems was undertaken to make the housing stock compliant with the Decent Homes Standard. Where possible, all Council-owned open flued gas appliances were removed together with those central heating boilers rated D to G in recognition of the fact that they have low efficiency.

The Council is trying to ensure that there is a joined up approach to the improvement of properties to make them more energy efficient. As a matter of routine, 'A' rated boilers are now fitted in Council homes and there is on-going research into new developments such as boiler controls and insulation. The Council's own workforce is seeking accreditation, which enables them to install certain technologies and claim funding if it is an eligible technology. The new homes let in 2014 in Crediton at Joseph Locke Way and Station Approach, were compliant with level 3 of the Sustainable Code and were fitted with 'A' grade boilers and solar thermal panels to reduce the cost of producing hot water.

Air source heat pumps (ASHP) have been installed in 160 properties. These are central heating systems which extract heat from the air and deposit it in the hot water and central heating system. These technologies can be extremely energy efficient but the new technology and the way the heating is delivered can take some of our tenants a little while to adjust to.

67 properties have been upgraded with solar thermal heating. These are panels fitted to the roof which take heat from the sun to create hot water. They are very effective. They are installed mostly on properties with electric storage heaters. This system should provide significant amounts of hot water in the summer and contribute to lower energy costs in the winter by using available light to raise the temperature of the water, which is then topped up during the E7 or E10 periods. This technology can be linked with any heating system which has a suitable hot water cylinder. They are not usually linked with gas systems, except at the new Crediton properties developed by the Council. The Government has recently opened a scheme titled: "The Renewable Heat Incentive" and a retrospective application is being made to receive this funding.

The Housing Service has fitted Air to Air (A2A) heat pumps to 4 properties on a trial system. A2A heating systems work in a similar way to ASHPs but distribute the heat through fan units in each room. They are simpler to install with a lower capital cost than ASHPs but only suited to smaller properties and not all tenants appreciate the low level noise or movement of air associated with the fan in the wall unit.

The servicing of heat pumps is dealt with in-house by our own plumbers and heating engineers.

95% of our homes with a gas supply have 'A' rated boilers. Gas is our preferred source of heating. The Council is using available funding to extend the number of properties on the mains gas grid. During 2015/16 it is expected that we will move closer to 100% but tenants have the right to refuse works. We promote the cost-

saving benefits of an 'A' rated boiler as opposed to a 'G' rated boiler (up to £250 each year cheaper to run) but sometimes ill-health, advanced age or a fondness for the existing system, determines whether works will go ahead.

The Housing Service is committed to investing in our homes to make them more energy efficient and to securing available funding to enable this work to continue.

Embracing new technology

The Housing Service is keen to maintain its record of trialling new and installing tested renewable or energy saving measures in our properties. The technologies need to be simple, low maintenance and ideally supported by capital funding or have the ability to generate additional revenue through energy tariffs.

We continue to draw in funding from the solar panels that were installed on a significant proportion of our housing stock. We use this money to fund some of the new technology in those properties that currently have none. Wherever possible we also make applications to capital grant schemes to boost the number of renewable technology installations we can achieve.

Our priority properties are those off the main gas network and without solar PV. We will continue to upgrade gas boilers to those of the highest efficiency rating. Where possible we enhance this even further by installing additional technology. One example of this is a small device called the CombiSmart. This helps to conserve water that would otherwise be wasted each time the hot tap is turned on. Waiting for the boiler to kick in can waste water and gas. The CombiSmart helps reduce the flow of water until it is up to temperature. Typically 7-10 litres of water goes down the drain before it's considered hot enough to use. It costs more than £5/m³ to transport water to and from a domestic property. Every time someone lets it run down the drain without using it, they are wasting money. We're helping to reduce that.

We recently accessed a stream of funding from Wales & West Utilities. We can use this money to extend the gas mains and bring gas central heating to many new properties. Unfortunately this doesn't mean that the more rural areas will get gas, only those next to an existing supply.

As we become more knowledgeable about the heating technologies available to those properties without gas, we improve the choices we make. Air source heat pumps are no longer the standard for 'all electric' properties. Smaller flats and bungalows are just as likely to have new highly efficient Quantum (electric storage heating) panels installed. The hot water is then provided by solar thermal panels linked to a highly insulated cylinder. We can now also redirect unused solar generated electricity directly to a special immersion heater.

As new or untried technology becomes available to us we evaluate its effectiveness and cost. Current and recent trials include Infra-Red heating panels in the ceiling;

ground source heat pumps, where boreholes are drilled over 100m into the earth to extract low but constant levels of heat; hybrid ASHPs/gas boilers; battery storage for PV; and grey water recovery, where shower/bath water has the residual heat extracted and is then filtered and purified to be reused to flush toilets.

So many technologies exist but not all are suitable. We try to be even handed about where the technology goes but the reality is that not everything is practical or affordable. We will continue to provide modern, efficient heating to achieve the standards required as a social landlord and where possible go beyond this, helping reduce household running costs to a minimum by installing as many energy saving measures as practicable.

Giving advice on housing options

The Housing Options team will provide those people who need rehousing with appropriate advice and support. Prior to giving advice, they will take into account the income of the client and make reasonable suggestions regarding how they can resolve their housing problem. This may involve directing them to the private sector, providing a loan to assist with paying the deposit and suggesting that those tenants needing to move, for whatever reason, consider a mutual exchange. Mutual exchange can be an effective way in which tenants can resolve their own housing need and the Council subscribes to the HomeSwapper scheme to facilitate these.

The team will also work with RPs to provide good quality advice and assistance to tenants whose flexible or fixed term tenancies will not be renewed at the end of the fixed term, for whatever reason.

Appendix 1 - The Strategic Context

Government policy relating to the national housing strategy was set out in “Laying the Foundations – A Housing Strategy for England” which was issued in November 2011 <http://communities.gov.uk/documents/housing/pdf/2033676.pdf>

This document confirmed the view that housing supply was a key issue and that the development of new homes could be a driver for economic growth. It also promoted the concept of meeting needs and aspirations through housing on the basis that the value of the asset can unlock opportunities and enable wealth to be cascaded from one generation to the next. A number of new initiatives were introduced including an equity loan scheme to assist first time buyers, known as FirstBuy, and a Growing Places Fund where finance was made available for infrastructure and for builders. In addition, a range of measures was also introduced to encourage new development:

- An ability for builders to challenge planning obligations contained in legal agreements setting out social benefits from development under section 106 of the Town and Country Planning Act 1990 (s106 agreements) on stalled building sites. In addition, builders can challenge the viability with a consequence of a reduction in the offsite financial commitment.
- A means of freeing up public sector land for 100,000 homes
- Land auctions

The National Planning Policy Framework

In 2012, the Government also revised national planning policy, replacing over 1,000 pages of guidance with the 50 page National Planning Policy Framework (NPPF). The NPPF contains a presumption in favour of sustainable development which should be seen as the “golden thread running through both plan-making and decision-taking”. The Localism Act, introduced the year earlier in 2011, contained new freedoms and flexibilities for local government and new rights and powers for communities and individuals. The framework set out nationally important issues and halted government involvement in regional and more local strategies.

Practical support was also made available through a number of funding streams which were identified in the government housing strategy including:

- Short term finance, available specifically for self- builders
- A budget to bring empty properties back into use
- The Affordable Homes Programme which is the main affordable housing funding stream. This is operated by the Homes and Communities Agency (HCA) and sets out how affordable housing will be delivered to support the Housing Strategy. The new framework introduced the new Affordable Rents model where rents are charged at 80% of market rents and the additional

income generated used for affordable housing provision, some of which should be set aside for community led development projects.

Mainstream providers are now expected to assist and facilitate the process of community led housing projects. This could involve project management, development agency, financing joint venture partnerships and even final incorporation of the new community into the group structure of a Registered Provider (RP) of social housing (this would most probably be a housing association).

All community housing is different and there are many different models. In Mid Devon, there are some very vibrant community housing groups. For example, the Community Land Trust (CLT) at Hemyock worked with Hastoe Housing Association to deliver twelve new homes and the CLT at Cheriton Bishop is working with Teign Housing to deliver 8 new homes.

Government proposals included encouraging a thriving private rented sector by the provision of fiscal incentives to encourage large institutional investors, and addressing issues of quality and safety.

The Localism Act 2011

This Act devolved more power away from central government to local authorities. It gave local people more power to challenge decisions relating to housing and planning. It introduced a general power of competence which allows local authorities to respond to the needs and aspirations of the communities in their areas.

Localising planning

Regional spatial strategies were abolished. These had imposed building targets on local authorities. Instead, the Duty to Co-operate was placed on councils which requires them to co-operate effectively and on an on-going basis on cross-boundary matters which impact on their respective local plans. Housing growth is now based on meeting the objectively assessed need for housing, taking account of household and population projections, migration and demographics as well as addressing the needs of all types of housing. Local plans are expected to cater for this calculated housing need.

Neighbourhood development plans were introduced to sit beneath local plans. Local authorities must provide advice and support to communities wishing to prepare a neighbourhood plan. These neighbourhood development plans must be approved if they receive 50% of the votes cast in a referendum.

There is now a *Community Right to Build*, where a neighbourhood development order can be made to allow communities to approve development without requiring normal planning consent. Building regulations were reviewed and the Green Deal was introduced to boost retrofit schemes.

Councils may choose to raise funding for infrastructure through adoption of a Community Infrastructure Levy (CIL) charging schedule. Finance towards affordable housing provision may not currently be raised through CIL. It does not replace s106 agreements (also known as planning obligations) but will make provision for financial contributions to be pooled and put towards a certain infrastructure project or type of infrastructure. Section 106 agreements still apply on strategic sites.

The *New Homes Bonus* was introduced to provide an incentive for growth and to provide funding for communities where an increased population in the area could result in deterioration in the level of public services and other amenities. It was introduced in April 2011 and provides an additional sum for the following six years. The Government has stated that this money should be used to deliver demonstrable community benefits. The New Homes Bonus is for a limited time only, ending in 2017.

Local retention of business rates: The aim of the scheme is to encourage billing authorities to support business growth in their areas.

The Community Right to Bid: this enables buildings or land to be listed by the local authority as an asset of community value. Local authorities are expected to maintain a list of Assets of Community Value.

Localising social housing

The Localism Act heralded major changes to the social housing system. It was hoped that more decisions about housing would be taken locally and that the system would become fairer and more effective. The Council has published a Tenancy Strategy, as required by the Act, setting out the matters RPs of social housing should have regard to when formulating their tenancy policies. The main areas covered include affordable rents, disposals, conversions and the introduction of flexible and fixed term tenancies.

The housing provisions of the Localism Act can be summarised as follows:

- **The Reform of Social Housing Regulations:** The HCA became responsible for the regulation of social housing
- **Complaint Management:** Responsibility for reviewing complaints passed to the Housing Ombudsman Service
- **Making better use of social housing:**
 - A new form of tenure was introduced to make better use of scarce resources – flexible/or fixed term tenancies
 - A national mobility scheme was introduced to assist tenants to move to other areas in order to access greater work opportunities
 - Local authorities were given the ability to discharge their duties to homeless people by using private rented accommodation
 - Local authorities were given more freedom to set their own policies regarding qualification for housing in their areas and increased priority for service personnel
- **Council house finance** was reformed by allowing local authorities to borrow against the value of their housing stock and abolishing the subsidy system

RPs were given new powers to enable them to make best use of stock. For example, squatting became a criminal offence and new tools to tackle anti-social behaviour including tenancy fraud were introduced. Following the Localism Act, funding was provided to assist troubled families. This scheme became known as Targeted Family Support in Mid Devon and was rolled out across the District following a successful pilot in Tiverton.

There have been steps to improve the accuracy of rough sleeper counts and to roll out the “No Second Night Out” initiative as a means of reducing rough sleeping.

The Coalition Government attempted to increase voluntary transfers of Council housing stock to other RPs and endeavoured to raise the profile given to the Right to Buy scheme by encouraging landlords to promote this. In addition, discount limits were increased and it was announced that a new home would be built for each one sold.

Welfare Reform Act 2012

The Act introduced a number of changes which had a significant impact upon the income of those in receipt of benefits and consequently RPs of social housing.

These included:

- The spare bedroom deduction of Housing Benefit for those claimants of working age who are under-occupying their homes and currently set at 14% if one room is spare and 25% if two or more rooms are spare)
- The benefit cap for claimants of working age which was set at the level of the average (after tax) earnings of working households
- The introduction of direct payments of Housing Benefit to tenants except in cases where the tenant is vulnerable; through the introduction of Universal Credit where claimants receive one lump sum paid in arrears in respect of their benefits. This was introduced to give claimants an opportunity to organise their own finances as they would if they were in work.
- Other changes included more stringent sanctions; the introduction of Personal Independence Payments to replace Disability Living Allowance (DLA) and time-limited payments of contributory Employment & Support Allowance (ESA) for all but the most sick and/or disabled.

The spending review: July 2013

The economic situation had a profound impact on national housing policy and this was reflected in this spending review and related announcements issued in the summer of 2013. It was announced that overall public expenditure was to remain very constrained and welfare reform continued. The capital available for infrastructure was increased. The Coalition Government aimed to encourage more

new build housing by ensuring that housing associations could maximise borrowing capacity. There was a stated intention to ease planning rules and to make the HCA the default disposer of public land.

Other measures arising from the spending review included:

- Social rents to be increased using a new formula based on the consumer price index (CPI) + 1% over the next ten years
- £3.3billion made available for affordable housing and a budget of £400million earmarked for the new affordable rent to buy product
- £100million made available for stock transfers

The Department for Communities and Local Government (DCLG) budget was cut by a further 10% (having already been cut by 60%) and Council tax was frozen for a further two years.

Further welfare reforms were announced. For example, claimants were required to sign on weekly, rather than once every two weeks

Further welfare reforms were introduced; for example, jobseekers were required to wait a week before receiving any payments after losing a job. However, there were some concessions around direct payments designed to support social landlords, as the direct payment demonstration projects showed increased arrears.

The Autumn Statement 2013

In order to support the development of 10,000 new affordable homes, it was announced that local authority borrowing caps were increased by £150million in 2015/16 and £150million in 2016/17. The role of local enterprise partnerships (LEPs) in enabling the development of new homes was recognised, through the changes to the borrowing caps and plans to unlock stalled development sites. The Chancellor also announced a commitment to retain at least £55m in discretionary housing payments to support tenants affected by the removal of the spare bedroom subsidy in 2014/15 and 2015/16.

Other relevant announcements:

- ❖ A 6 year programme to unlock new large housing sites.
- ❖ A consultation on a “right to move” for tenants who need to relocate for employment reasons.
- ❖ Right to Buy Agents were announced to help households to complete the purchase of their Council home.
- ❖ An exploration of the options relating to housing estates in need of regeneration, which could be achieved through repayable loans.
- ❖ A consultation on potential changes to the New Homes Bonus, which would introduce mechanisms to withhold payments where planning applications are only approved on appeal. This is part of a range of measures designed to remove barriers to the building of new homes in the planning system.
- ❖ Further details relating to the cap on welfare spending.

A new Conservative Government was elected in May 2015 and in July 2015, in an emergency budget, the Chancellor announced further changes which will have a significant impact upon the social housing sector.

Rent reduction

It was announced that RPs of social housing would have to reduce their rents by 1% from April 2016 until 2020. The changes mean an end to a rent formula agreed in 2013.

As at end of July 2015, reports are indicating that this will result in an 11% – 15% reduction in average rents by 2020/21 compared to current forecasts. This has the potential to undermine the ability of both Councils and housing associations which work in Mid Devon to deliver new build developments given the impact it could have on long-term business viability. The rental income received by the Council is approximately £12million per annum. There is likely to be a significant reduction of income totalling £5million estimated cumulative rent loss over years 1-4 and £80million estimated cumulative rent loss over years 1-30. The Chancellor expressed the view that the social housing sector can make efficiency savings to enable them to manage the reduction.

This policy is likely to be included in the Welfare Reform Bill due to be passed in September 2015, which means that RPs will not be able to mount a legal challenge against the proposal.

Observers are currently suggesting that anything between 14,000 (the Office for Budget Responsibility) and 27,000 (National Housing Federation) less affordable homes are likely to be built nationally over the four year period when the reduction in rent is to be implemented.

The Council will need to review plans for future investment in the housing stock, how we deliver housing services and in particular how we will finance the development of new housing stock. Other RPs working in the District will also need to review their business plans.

Pay to Stay

Tenants on higher incomes will have to pay the market rate or near market rent for their homes. The threshold will be £30,000 in Mid Devon and will come into effect from 2017/18. Under the new, compulsory scheme, which the government estimates will save £365million in 2017/18, local authorities will have to pay the extra cash raised to the Treasury, therefore, contributing to deficit reduction. It is anticipated that around 340,000 renters out of England's 3.9 million social tenants are likely to be affected.

However, the implementation of higher earners paying market or near market rents is likely to be problematic. The Council cannot insist that our tenants provide information regarding household income. In fact, few RPs hold data on their tenants' earnings. The government will publish more details on how the scheme will work in due course.

Security of Tenure

A further review of security of tenure in social housing is planned. It will also look at whether certain groups of tenants could be exempted from proposals to limit lifetime tenancies; for example, those in supported housing. It is yet to be confirmed whether or not the policy could be applied to existing tenancies. The Council's strategic housing policy enables RPs to use flexible or fixed term tenancies in the District.

Welfare reform

Further changes to the welfare system were announced in July 2015:

- ❖ A four year freeze on welfare payments. Working age benefits will be frozen from 2016/17 for four years to 2019/20. This is forecast to save £4 billion a year by 2019/20. This will apply to Jobseeker's Allowance, Employment and Support Allowance, Income Support, Child Benefit, applicable amounts for Housing Benefit and Local Housing Allowance.
- ❖ The benefit cap will reduce from £26,000 to £20,000 in Mid Devon. Benefit for housing costs is the first payment cut if a household is affected by the cap. It should be noted that the date for implementation of the new policy was not included in the Budget report.
- ❖ The removal of the family premium. This is an extra payment for households with children.
- ❖ From April 2016, the Government will reduce the level of earnings at which a household's Tax Credits and Universal Credit award starts to be withdrawn for every pound earned. This will affect tenants in work on a low income.
- ❖ Tax Credit and Universal Credit support will be limited to the first two children from April 2017. Multiple births, for example, where there are triplets will be excluded from the limit. This will impact on larger families as this will limit the amount of benefits received therefore reducing their overall income.



- ❖ From April 2016, Housing Benefit claims will be backdated for a maximum of 4 weeks. This is a change from the current limit of 6 months, depending on the claimant's circumstances. These changes will put the onus on the claimant to take greater responsibility for paying their rent on time. This is likely to have an impact upon the revenue of the Housing Service and other RPs in the District as not every tenant is able to submit their claim for Housing Benefit on time, or to provide the necessary evidence when requested to do so.
- ❖ From April 2017, those out of work aged 18-21 who make a new claim for Universal Credit will no longer automatically be entitled to the housing element. There will be some exemptions to this rule; however this highlights a potential risk relating to increased rent arrears.
- ❖ There will be a further £800 million of funding available to local authorities to make Discretionary Housing Payments over the next 5 years, which can be used to support vulnerable claimants of Housing Benefit
- ❖ People aged 18-21 will be required to "earn or learn". However, there will be some exceptions to this rule. Those claimants in receipt of Universal Credit will have to apply for an apprenticeship or traineeship, gain work-based skills, or go on a work placement 6 months after the start of their claim.

Given the forthcoming changes, the challenge for the Council as the strategic housing authority and RP of social housing will be to assist social housing tenants and housing applicants with reviewing their household budgets. Many of these people may find their household incomes adjusted by these changes. There is a need to mitigate against the risk of an increase in the level of people approaching the Council as homeless; and a reduction in the level of income into the Housing Service.

From April 2016 the government will introduce a new National Living Wage of £7.20 for over 25's rising to £9.00 an hour by 2020. The government recognised that the new National Living Wage may increase costs for some businesses. This could have a detrimental impact upon small businesses, in particular, in Mid Devon. However, from April 2016, National Insurance Contributions (NICs) Employment Allowance will commence not from £2,000 but £3,000 with the aim of helping employers with additional wage costs.

Following the summer budget in 2015, the government published further details relating to its plans to improve the nation's productivity. The plans were explained in a document called: "Fixing the Foundations: Creating a More Prosperous Nation" which set out proposals designed to encourage long-term investment, and to promote a dynamic economy.

The plans focused on changes to the planning system and indicated a very clear shift to the provision of homes solely for home ownership. In particular, it was made

clear that the government is supporting the building of more new homes for home ownership. Low cost homeownership for first time buyers has become a priority. Reform of the planning system will support this. The extension of the Right to Buy to housing association tenants was also proposed.

Appendix 2 - Local Context



Mid Devon

Mid Devon is a sparsely populated area of 352 square miles (913 sq km) in an inland area of South West England. It extends from the edges of Dartmoor in the South West to Exmoor in the North East. It is a predominantly rural area and whilst the majority of the population (total: 77,500) is located in three main towns: Crediton Cullompton and Tiverton a large number of residents live in the rural areas outside these towns. The principal concentration of people is in the eastern part of the District, where the market towns of Tiverton and Cullompton lie within 6 miles of each other.

The significant urban areas of Exeter (total population: 137,087) and Taunton (total population: 60,479) are just beyond the Southern and Eastern boundaries of the District respectively. Major East-West lines of communication run through Mid Devon, including the M5, the A361, the A30 and the Great Western Mainline Railway. However, transport in rural areas can be a problem for some families.

The recently published Strategic Housing Market Assessment (SHMA) for the Exeter area established housing requirements in four local authority areas, over the twenty year period from 2013 to 2033 – East Devon, Exeter, Teignbridge and Mid Devon. This in-depth study, which reviewed housing issues in Mid Devon and the other local authority areas, enables the Partner Authorities to understand the nature and level of housing requirement within their local areas.

Population

Population change, 2001 – 2011

	Population 2001	Population 2011	Absolute change	% Change
Mid Devon	69,774	77,800	+8,026	+11.5
South West	4,928,434	5,288,900	+360,466	+7.3
England	49,138,831	53,012,500	+3,873,669	+7.9

Source: ONS Census (2001/2011)

The growth in the population of Mid Devon district rose by over 11% in the period from 2001 to 2011 from 69,900 to 77,500 people; 49% are male and 51% female. This rate of growth is significantly higher than the rates for England and the South West. Minority ethnic groups make up over 1% of the population. The proportion of those born in the UK decreased from 97% in 2001 to 95% in 2011.

Proportion (%) of the population by age, 2011

	Pop aged 0-14 (%)	Pop aged 15-24 (%)	Pop aged 25-44 (%)	Pop aged 45-64 (%)	Pop aged 65+ (%)	Average age (years)
Mid Devon	17.3	10.7	22.8	28.8	20.4	42.3
HMA* area	15.3	12.7	22.5	27.3	22.2	43
England	17.6	13.1	27.4	25.4	16.5	39.4

Source: Census 2011

*HMA: housing market assessment

Dwellings

The 2011 Census found that there are 33,990 dwellings in Mid Devon.

Existing stock by property type (%)

	Mid Devon	Devon	South West	England
Detached	38	35	30	22
Semi-detached	25	25	27	31
Terraced	20	23	23	25
Flat/ maisonette	16	16	19	22
Other	1	1	1	0

Source: Census 2011

Tenure Profile 2011

	Mid Devon	Devon	South West	England
Owner occupied	69.1	70.2	67.4	63.4
Shared ownership	0.9	0.8	0.8	0.8
Social rent	12.6	11.2	13.3	17.7
Private rent/ other	17.4	17.8	18.5	18.1

Source: Census 2011

Housing across all tenures is assessed against the Decent Homes Standard. This contains four criteria and all properties will have them if they are “decent”. To meet the criteria, a property will be in a good standard of repair, have a reasonably modern kitchen and bathroom and must have effective insulation and efficient heating.

The Housing Health and Safety Rating System (HHSRS) sets standards for acceptable accommodation and assesses hazards. Hazards may be categorised

into category 1 or category 2 hazards. If there are any category 1 hazards found within a property, the Council may take action to ensure that these are put right. The SHMA contains the following information derived from a 2009 study undertaken by the South West Regional Assembly: "The Condition of Private Sector Stock in the South West".

Meeting the Decent Homes Standard

Area	% Non-Decent	Reason for non-decency			
		Reasonable repair	Thermal comfort	Modern Amenities	Cat 1 Hazards
Mid Devon	42.8	9.9	35	0.7	29
Devon	32.8	11.5	23.9	1.6	20.2
South West	21.7	10.3	18.5	2.2	15.5

Economy

The 2011 Census showed that 17% of those employed in Mid Devon work in the wholesale or retail trade or in motor vehicle repair. This compares to 16% of people in Devon and 16% of people in England and Wales. Manufacturing is also important (employing 10% of people in the District compared to 8% in Devon and 9% in England and Wales). Although farming makes up only a small proportion of the economy as a whole, there is a higher proportion of people (6%) working in agriculture, forestry and fishing than in other Devon districts and in England and Wales, as a whole (both 1%).

The unemployment rate had increased to 3% of the working age population at the date of the Census in 2011 but unemployment remains low compared to national figures. Mid Devon shows a high rate of self-employment with 15% being self-employed compared to 14% in Devon and 10% in England and Wales. 16% of the population is retired compared to 18% in Devon and 14% in England and Wales.

According to the Census in 2011, 14,167 residents in Mid Devon work within the District. After that, the main place of work for local people in Mid Devon was Exeter, followed by East Devon.

Affordability and the Mortgage Market

The average house price in the South West in 2013, according to the NHF publication Home Truths 2014/15, was £228,420 which gives a house price to earnings ratio of 9.6 compared with the UK average ratio of 9.5. In Mid Devon the average house price was £223,632 and, mean annual earnings in 2013 were £21,554 making the ratio of house prices to incomes 10.4.

The income required for an 80% mortgage in Mid Devon in 2013 was £51,116. Mortgage as a percentage of income stood at 34.9% in the fourth quarter of 2012 in the South West compared to the UK average of 28.1%. The HCA considers a 45% household debt to net income ratio affordable in terms of home ownership yet not

over stretching in order to allow buyers to adapt to market changes in mortgage interest rates.

According to the SHMA, house prices grew by 121% in Mid Devon over the period from 2000 to 2013, compared with 124% across the housing market assessment area and 124% across Devon.

Nationally, there is concern that house price inflation in the last decade was driven by long-term chronic under-supply of housing to meet the needs of a growing population. As a result, the Government is now trying to stimulate house building activity and is also encouraging councils to build new homes.

Average monthly private rents – December 2014

Area	Median (£)	Lower Quartile (£)
Mid Devon	595	500
HMA* average	643	538
Devon	625	525
South West	650	525
England	595	475

Source: VOA report December 2014

*HMA: housing market assessment

Current housing need in Mid Devon

The SHMA provides an objectively assessed statement of housing need in Mid Devon. The lower end of the range is 359 per annum and the higher end of the range is 381 per annum; the mid-point is 370 per annum. The emerging local plan will take account of this projection.

The Council uses the countywide Choice Based Lettings scheme, Devon Home Choice, to allocate social housing. The scheme has been revised to reflect the bedroom occupancy changes made in the welfare reforms.



As at 1 April 2015, there were 2,131 applicants registered with Mid Devon on Devon Home Choice.

The applications are assessed and put into one of five bands, these being A, B, C, D, and E. Those in the 'A' band are those needing emergency accommodation. The 'B' band applicants have a high housing need and those in the 'E' band have no housing need.

Number of households in housing need (Bands A to D) as at 1 April 2015

	Band A		Band B		Band C		Band D		Total	Band E	
	No	%	No	%	No	%	No	%		No	%
Mid Devon	0	0	194	20	306	32	462	48	962	1,169	55
Total DHC	24	0	3,801	20	5,141	27	9,935	53	18,901	13,978	43

Source: DHC Quarterly Monitoring Report (April 2015)

Only 48% (962) of those cases registered on DHC are in housing need. 55% (1169) of cases registered have no housing need.

Bedroom need of applicants in housing need (Bands A to D) as at 1 April 2015

	1 Bed		2 bed		3 bed		4+ beds		Total
	No	%	No	%	No	%	No	%	
Mid Devon	490	51	280	29	121	13	71	7	962
Total DHC	10,887	58	4,872	26	2,018	11	1,124	6	18,901

The DHC scheme offers an assessment framework and, as previously stated, housing applicants are placed into five bands according to their need. Those with no housing need are placed into Band E. Other housing authorities in Devon no longer operate a Band E. As at July 2015, Members are reviewing the situation in Mid Devon and, as a result, the Council may well amend the DHC scheme and decide against placing those with no housing need on to the housing register.

During 2014/15, 280 general needs units and 30 homes for vulnerable people were let by the Council and other RPs in Mid Devon (making a total of 310). It would appear that there is a high proportion of housing applicants who have a need for one-bedroom accommodation and therefore RPs who are developing new homes for rent need to take this into account.

The present system allows some flexibility to give preference to certain groups, such as transferring applicants or existing tenants, who need to downsize. The removal of the spare bedroom subsidy for Housing Benefit claimants can be seen to have increased the number of people seeking one-bedroom accommodation in the District.

Affordable Housing

The SHMA assessed the social and affordable rented need by bedroom size:

	Bedroom size (%)			
	1 bed	2 beds	3 beds	4 beds +
Mid Devon	45	40	15	

The SHMA also assessed under-occupation in the social rented sector in Mid Devon as 10.4%, which represents 429 units. It also found that 218 households, or 5.3%, were living in overcrowded conditions.

The SHMA contains an assessment of specific affordable housing needs. It established a need for 124 affordable homes each year.

It was noted that there is a shortage of larger homes available for families in the District and that new social/ affordable rented delivery should target under-occupied three/ four bedroom houses to help address the needs of larger families, especially those who are over-crowded and also be linked to the strategies for older people.

During 2014/15, 12 empty homes in the District were brought back into use to add to the overall level of housing supply.

The Council is currently working with 18 other RPs in the District (see Appendix 5) to provide affordable homes for those in housing need. Affordable housing is defined as social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. The government definition contained within the NPPF states that: "Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision".



Deprivation

The Indices of Deprivation (2010) provide a relative measure of deprivation in small areas across England. They are based on the concept that deprivation consists of more than just poverty and that a lack of resources and opportunities also have an impact. All the district-level authorities in England were ranked and Mid Devon was ranked at 155 out of 326. It was found that there are three wards in Tiverton which are in the most deprived quartile.

Appendix 3 - Planning policies in Mid Devon

The Council has an adopted Local Plan which is in three parts. The adopted Local Plan covers the period 2006-2026 and sets the policy framework against which planning applications are determined within Mid Devon. The first part, the Core Strategy (adopted 2007) sets the spatial strategy and distribution of development across the District. The Allocations and Infrastructure Development Plan Document (adopted 2010) sets out the infrastructure requirements and allocates land to meet the need for housing, employment and other development. The Local Plan Part 3: Development Management Policies (adopted 2013) sets policies to guide development management decisions including design, housing standards, parking and environmental considerations.

National policy requires plans to be kept up to date to take account of the latest evidence and Government guidance. The Council has been preparing a new plan which once adopted will supersede the three parts of the existing Local Plan. The Local Plan Review covers the period 2013-33. A consultation on the version of the Local Plan Review proposed for submission concluded in the Spring of 2015. There were just fewer than 1,000 responses and where appropriate the draft document is being amended to take account of any significant issues raised. The plan is due to be submitted to the Secretary of State in early 2016 upon which an examination process will be initiated. It is anticipated that the document will be able to be adopted in 2016.

The Local Plan Review will set out the housing need for the period of the plan. The Housing Strategy will take account of the figures in the final Local Plan. The Local Plan Review reflects the Government's review of housing standards which introduced a new national standard for dwelling sizes, which has been incorporated into the document. Minimum standards for building accessibility are also included which will replace the Lifetime Homes requirements set out in the current adopted plan. Policies setting out a requirement for 5% of plots on sites of 20 or more dwellings to be made available for self-build and the provision of low cost self-build plots in rural areas are also proposed.

The Meeting Housing Needs Supplementary Planning document <http://www.middevon.gov.uk/CHttpHandler.ashx?id=18182&p=0> contains more guidance for developers who wish to build in the District and confirms the target of 2,000 or more affordable dwellings during the period from 2006-2026. It states that the Council will seek the majority of social rented housing (60%) where affordable housing is to be provided and 40% intermediate and affordable rent housing. New housing developments should contain a mix of dwelling sizes and this is specified. It is anticipated that this document will be reviewed following adoption of the Local Plan to ensure it is up to date and aligns with the Local Plan and latest Government policy.

Appendix 4 - Housing Strategy Action Plan

Priority /Action	By Whom	When?
Delivering affordable housing		
Exploiting opportunities to meet the overall demand for housing in the District:		
In partnership with other RPs and other partners to enable the delivery of new affordable homes	Housing Enabler & Business Support Manager	Ongoing until 2018
Working alongside the Planning Service, with registered providers and developers, to facilitate new development which delivers the right amount and type of affordable housing on site. Where off site contributions are necessary, make reference to the economic viability assessment.	Housing Enabler & Business Support Manager	Ongoing
Develop a strategy for the spend of S106 contributions or provide affordable housing and to achieve value for money	Head of Housing & Property Services	Ongoing
In partnership with Exeter City Council, work to address issues relating to empty homes	Private Sector Housing (Lead Officer)	March 2016
Provide pitches for gipsies and travellers to address needs identified in the GTAA 2015	Head of Housing & Property Services Head of Planning & Regeneration	Ongoing

Priority /Action	By Whom	When?
Continue to work with the Devon Rural Housing Enablers to undertake Housing Needs surveys in rural communities	Housing Enabler & Business Support Manager	Ongoing
Making better use of existing housing stock		
Undertake a stock condition survey and other investigations, as specified in the private sector renewal policy	Private Sector Housing (Lead Officer)	March 2016
Identify funding opportunities which can be used to assist home owners	Private Sector Housing (Lead Officer)	September 2014 ⁵ and ongoing collaboration with other Devon LAs
Use housing renewal powers to address poor conditions in the housing stock in the private sector	Private Sector Housing (Lead Officer)	Current and continual development
Review of provision of adapted social housing properties in the District	Housing Options Manager and Housing Enabler & Business Support Manager	December 2016
Implement recommendations made by Members in relation to DHC scheme & Band E	Head of Housing & Property Services	March 2016
Continue to deliver high levels of performance in relation to the management of the housing stock	Housing Services Manager & Building Services Manager	On-going
Continue to develop & review policy and procedure to take account of legislative changes and good practice	Housing Services Manager, Building Services Manager & Housing Policy Officer	On-going
Restructure the Building Service unit to ensure it is future-proof and fit for purpose	Building Services Manager	March 2016
Annually, review 5 year and 30 year Asset Management Strategy and implement adjustments to take	Building Services Manager	By March 2016, 2017, 2018, 2019,

Priority /Action	By Whom	When?
account of new data, legislative requirements and budgetary constraints		2020
Further development of the integrated housing management system to facilitate more efficiency and effectiveness	Housing Services Manager & Building Services Manager	March 2016
Implement an asbestos inspection regime to check the condition of the asbestos containing materials that have been deemed low risk and left in situ	Building Services Manager	March 2016
Ensure that the Housing stock remains 100% Decent year on year	Building Services Manager	Ongoing
Review policies relating to the management of former tenant arrears	Housing Services Manager	March 2016
Facilitate and support involved tenants to undertake one service review annually	Community Support & Initiatives Team Leader	Ongoing
Preventing homelessness		
Review downsizing scheme	Housing Services Manager & Housing Options Manager	March 2016
Update info relating to homelessness advice service and prevention	Housing Options Manager	March 2017
Work with partner agencies to identify gaps in provision and funding	Housing Options Manager	March 2017
Develop management systems to measure the impact of homeless prevention advice	Housing Options Manager	December 2015
Work with RPs on strategies	Housing Options Manager	Ongoing

Priority /Action	By Whom	When?
relating to tenancy sustainment to reduce evictions		
Working in partnership, further develop the approach to the prevention of youth homelessness to ensure that young people have a range of options open to them and also the support of statutory organisations	Housing Options Manager	Ongoing
Working with the Devon & Cornwall Housing Options Partnership to put in place strategies to ensure that flexible and fixed term tenants whose tenancies will not be renewed are supported whilst they find alternative accommodation	Housing Options Manager	March 2016
Work with private landlords with a view to investigating whether it would be possible to utilise the private rented sector for discharging the homeless duty	Housing Options Manager	March 2017
Continue attending MARAC meetings and develop a closer working relationship with MAPPA	Housing Options Manager	Ongoing
Review the use of temporary accommodation for homeless households and review alternatives to avoid the use of B&Bs	Housing Options Manager	March 2017
Managing the impact of an aging population		
Actions identified in the older person's strategy	?	
Further development of handyman service, especially in the private sector	Building Services Manager	Ongoing
Reducing the impact of welfare reform		

Priority /Action	By Whom	When?
Green initiatives WB to provide a couple of targets	Building Services Manager	
Review structure of the Neighbourhood teams to ensure that support is available for tenants experiencing financial difficult	Housing Services Manager	March 2017
Develop the service offered by the Community Housing Support Officers	Community Support & Initiatives Team Leader	Ongoing
Assist tenants affected by welfare reform who need to move to alternative accommodation by providing housing options advice	Housing Options Manager	Ongoing
Monitor the impact of the introduction of Universal Credit and also the changes to Housing Benefit which will affect those under 22	Housing Services Manager	March 2018

Appendix 5 - Registered Providers working in Mid Devon

Affordable Homes UK
Abbeyfield Society
Affinity Sutton
Aster Group
Cornerstone Housing
Devon and Cornwall Housing Group (Tor Homes manages Devon Stock)
Falcon Rural Housing
Guinness Hermitage
Heathcoat
Hastoe Housing
Housing 21
Magna West Somerset Housing Association,
Newcombes HA
Persimmons
Raglan Housing
Sanctuary Housing
Sarsen / Aster
Spectrum Signpost
South Western Housing Society
Sovereign
Tiverton Almshouse Trust
Twyford Trust Tiverton
Westcountry Housing
Yarlington Housing Group
William Sutton HA